Cape Peninsula
University of Technology

PERCEIVED IMPACTS OF POSSIBLE CURRENCY CHANGE ON ACCOMMODATION ESTABLISHMENTS IN A SELECTED ZIMBABWEAN TOWN

by

MARIAN NJERA

Dissertation submitted in fulfilment of the requirements for the degree

Master of Technology: Tourism and Hospitality Management

in the Faculty of Business and Management Sciences

at the Cape Peninsula University of Technology

Supervisor: Dr Ncedo Jonathan Ntloko

District Six Campus
December 2020

DECLARATION

I, **Marian Njera,** declare that the contents of this dissertation represent my own unaided work, and that the dissertation has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

<u>22 December 2020</u>

Signed

Date

Student Number: 212197533

ABSTRACT

Accommodation is a growing sector in the global tourism industry. The benefits derived from this sector include economic growth through the contribution of gross domestic product and job creation. It is therefore of paramount importance to ensure a favourable economic, social and political environment to achieve sustainable growth and profitability of this sector. Decision-making through collaboration of various stakeholders is perceived to be effective in providing a comprehensive framework plan to create such an environment. With Zimbabwe facing economic crisis that has brought instability in the financial sector in terms of the cash crisis and a potential change in foreign currency pricing, businesses across the country, including accommodation establishments, are in a dire situation to predict growth and profitability. The aim of the study was to investigate the perceived impacts of possible currency change on accommodation establishments in Victoria Falls town. The town of Victoria Falls is one of Zimbabwe's tourism hubs and it is home to the famous Victoria Falls waterfall, the widest in the world and one of the world's seven natural wonders—making the town an attractive destination for visitors. There is also an array of activities, which are a major tourist drawcard.

The study was guided by five objectives, which were to determine the current pricing structure of accommodation establishments in the town of Victoria Falls, to determine the involvement of accommodation establishments in discussions of a potential change in foreign currency pricing in Zimbabwe, to determine the preferred currency of accommodation establishments in Victoria Falls, to ascertain the impacts of current currency on accommodation establishments in Victoria Falls and to determine the perceived impacts of a potential change in foreign currency pricing on the accommodation establishments in Victoria Falls. In pursuing these objectives, a quantitative research approach was adopted using a survey of owners/managers of accommodation establishments. In doing so, a simple random sampling technique was employed. Sixty-three questionnaires were administered to the respondents who were managers or owners of the establishments visited.

The study is distinctive in its nature as most studies on currency change and the accommodation business focus on the effects of dollarisation but ignoring the influence of stakeholder participation through collaboration to minimise the negative impacts associated with currency change. The study contributes to existing literature on the effect of dollarization on the accommodation establishments. In addition, it provides a foundation of academic literature on the impacts of cash shortages in the accommodation business in Zimbabwe.

The study revealed that accommodation establishments in Victoria Falls commonly use penetration and premium pricing structures. These two structures are implemented by businesses that are at different stages of growth in the product life cycle, that vary in the level of service quality offered to guests and whose target market, marketing and business growth

goals differ. The results of the study indicated that decision-making through collaboration can bring about sustainable tourism development and economic growth can be achieved. This principle has not been effectively implemented in Zimbabwe's accommodation sector. The study concluded that accommodation businesses in Victoria Falls do not have equal opportunities to participate in decision-making at both local and national government levels. One of the main conclusions drawn from the study is that the use of multi-currency dominated by the United States Dollar is preferred by most establishments. Further conclusions were that the United States Dollar as an official currency benefits accommodation business to a lesser extent, although it may be viewed as of great benefit to the economy at large. Furthermore, accommodation in Victoria Falls is expensive and less competitive compared to neighbouring countries and shortage of United States Dollars is perceived as contributing to a drop in accommodation bookings, which affects tourist spend at the destination. Interestingly, it was noted that pricing in United States Dollar enhances price stability. There were mixed reactions on the impacts of potential change in foreign currency pricing on the accommodation establishments. However, there is a strong belief that currency change can grow the regional and domestic tourist markets, allowing establishments to compete equally with the rest of the southern African region and allowing tourists to stay longer.

Emanating from the results of this study, it is recommended that accommodation establishments engage forums like the Zimbabwe Tourism Authority and Hotel Association of Zimbabwe on decisions that affect their operations and their members. Four recommendations were made, namely compulsory grading of accommodation establishments, implementation of competitive pricing, creation of multi-stakeholder platforms for engagement, and collaborative decision-making. The lessons drawn from this study are not limited to accommodation establishments but extend to other sectors of the tourism industry such as events, transport, attractions, and food and beverage.

ACKNOWLEDGEMENTS

I wish to thank:

- My heavenly father, God. In Him I live, move and have my being. You take all the glory.
- My supervisor, Dr Ncedo Jonathan Ntloko for guidance, support, motivation and encouragement throughout the course of the study. Amandla!!!!
- My one and only beloved, Tichaona Musikavanhu for the love, support, data capturing, motivation and encouragement. Thank you love for being always amazing.
- Giltedge Travel, for complimentary accommodation in Victoria Falls during data collection and contributing towards my return flight ticket to Victoria Falls
- Rhynhardt Naurattel for contributing towards my flight ticket to Victoria Falls and your unparalleled industry knowledge.
- Washington Makuzva, Theophilus Dzingai, Mareike Long for motivation and support. I could not ask for better friends.
- My entire family for their love and support.
- Every individual who contributed directly and indirectly towards the completion of this dissertation. I greatly appreciate you.

DEDICATION

I dedicate this academic work to my late dad and mum, Clemence and Sarah Njera.

TABLE OF CONTENTS

APPENDICES

LIST OF FIGURES

LIST OF TABLES

GLOSSARY

Acronyms/Abbreviations	Definition/Explanation
ATM	Automated Teller Machine
B&B	Bed and Breakfast
BWP	Botswana Pula
CMA	Common Monetary Area
CYN	Chinese Yen
CZI	Confederation of Zimbabwe Industries
GDP	Gross Domestic Product
HAZ	Hospitality Association of Zimbabwe
RBZ	Reserve Bank of Zimbabwe
SET	Social Exchange theory
SPSS	Statistical Package for Social Science
STERP	Short-Term Economic Recovery Programme
US$	US Dollar
ZAR	South African Rand
ZTA	Zimbabwe Tourism Authority
ZW$	Zimbabwean Dollar

CHAPTER ONE
ORIENTATION OF THE STUDY

1.1   Introduction

The accommodation sector is classified under the hospitality industry and has proved to be one of the important sub-sectors of the tourism industry (Pender & Sharpley, 2005:14). Tourists spend almost one-third of their total budget on accommodation. According to Kabote *et al*. (2013:32), accommodation plays a big role in the tourism industry in Zimbabwe and as a key sector to economic recovery and growth. The Ministry of Finance indicated that the sector is the third highest contributor to the country's total gross domestic product (GDP) (Kabote *et al*., 2013:32). It has been noted that the accommodation sector is a major employer due to the labour intensive nature of the jobs. Professionals such as waitrons, cooks, cleaners, caretakers, housekeepers, receptionists and managers across the country, especially in tourism hubs like Victoria Falls town, benefit from this employment (Rusike & Chitambara, 2012:8).

The performance of the accommodation sector and tourism industry in Zimbabwe declined from 2000 to 2008 due to political instability, economic crises, damaged infrastructure, capital flight and negative publicity (Karambakuwa *et al*., 2011:68). The situation improved in 2009 because of the adoption of the multi–currency regime and the formation of the inclusive government, which ended the inclement hyperinflation and political instability (Sikwila, 2013:399). The number of tourist arrivals increased as did the hotel room occupancy (Rusike & Chitambara, 2012:8).

The multi-currency regime was introduced as a short-term recovery programme whereby the South African Rand (ZAR), Botswana Pula (BWP), euro (€), the British Pound Sterling (£) were accepted. However, the US Dollar (US$) was used as the country's official currency (Kabote *et al.*, 2013:32). The Financial Gazette (2009) highlighted that dollarization of the economy eliminated hyperinflation, reduced the vitality of the exchange rate, capital flight and the currency crisis. However, the country has been facing liquidity problems since 2014 caused by foreign currency shortage due to collapse in exports (Newsday, 2016).

The history of Zimbabwe changing currency dates back to 1965 during the colonial rule. When Ian Smith came into power, the Rhodesian Pound was replaced with the Rhodesian Dollar which was later replaced by the Zimbabwean Dollar (ZW$) in 1980 under the leadership of Robert Mugabe (Noko, 2011:340). Different reasons are attributed to every episode of currency change. Before 1980, the reasons for currency change were mainly the expression

of independence, national pride and sovereignty. The Rhodesian Dollar replaced the ZW$ at a par rate, higher than the value of the US$, with an exchange rate of ZW$1:US$1.47 (Nkomazana & Niyimbanira, 2014:69). Research reveals that the country had exchange rate control that covers the period of 1947–1980 (Noko, 2011: 340).

The purpose of currency change in 2008 was due to economic, social and political instability that led to poor economic growth (Sikwila, 2013:398). Negative economic growth resulted from much money spent on the Second Congo War, the land reform programme which negatively affected the agricultural production, invited sanctions blocking access to financial support from the international Monetary Fund and European Union, payment of war veterans gratuities and expenses of land reform programmes such as purchasing of farming machinery (Noko, 2011:340; Nkomazana & Niyimbanira, 2014:69).

As a result, the country spent more while producing less and it stipulated hyperinflation (Nkomazana & Niyimbanira, 2014:69). Hanks and Kwok (2009:353) stated that Zimbabwe experienced the first 21st Century hyperinflation with the second highest inflation ever recorded worldwide. Makochekanwa (2009:4) describes hyperinflation as inflation that is out of control, whereby prices rapidly increase with loss in currency value. To quash the tyranny of hyperinflation, re-establish monetary credibility, increase budgetary discipline and restore stability, the inclusive government dollarised the economy at the beginning of 2009 (Noko, 2011:340).

Makochekanwa (2009:10) reports that the benefits of dollarization include reduced administrative expenses for printing money, the establishment of a sound financial sector, lowered interest rates on loans for local borrowers, lowered transaction costs of international business since the US$ is convertible. Nkomazana and Niyimbanira (2014:72) added that hyperinflation was reduced, supporting what Noko (2011:340) outlined as one of the reasons why dollarization was implemented. Foreign investors gained confidence to invest in Zimbabwe but most foreign investors did not retain the profits as deposits or re-investment to improve local products, thereby limiting economic growth (Nkomazana & Niyimbanira (2014:72). Nkomazana and Niyimbanira added that prices for different products and services became stable although less competitive on the international market, being of low quality yet highly priced. Despite the above advantages, Makochekanwa (2009:12) reported the disadvantages of using US$ as the currency of reference as being forfeiture of autonomous monetary authority and loss of lender of last resort, insurance against risks, national sovereignty, ability to use inflation tax, as well as seigniorage revenue.

Dollarization, though beneficial, was queried by Noko (2011:354) as to why the government adopted US$ despite the ZAR competing equally with the US$ and the proximity of South Africa that is Zimbabwe's biggest trading partner. In addition, Zimbabwe was also aware of the fluctuating value of the US$. Noko added that the US$ has a long record but does not have long-term prospects. Zimbabweans hold the opinion that South Africa's economy rests on shaky ground (Noko, 2011:355). Sibanda (2017) indicates that locals prefer US$ as the store of value currency but the Confederation of Zimbabwe Industries (CZI) thinks they will be happy to use ZAR as a transaction currency. Noko (2011:352) added that adopting the ZAR could have been the strategic decision in the sense that the country might have negotiated to be in the Common Monetary Area. Noko foresaw challenges associated with the decision of adopting US$ as the country was already experiencing cash shortages in the form of coins. Furthermore, Sibanda (2017:60) argues that no country in the world has ever successfully used US$ as a reference currency for a long period except Panama and Ecuador because of the good relationship between the countries which guarantees a continuous supply of US$ when there is a need for liquidity.

Dollarization meant the continual injection of US$ into the economy to avoid cash shortages at automated teller machines (ATMs) and long queues for the $50.00 maximum withdrawal per day, which affected the tourism industry and accommodation business across the whole country (Mashakada, 2016). Furthermore, the liquidity crisis was as challenge, bearing in mind the trading relationship between USA and Zimbabwe—an unfortunate environment for any business in which to do well (Mwanawashe, 2017). For this reason, the CZI is pushing for the adoption of ZAR as the official currency replacing the US$. This decision is supported by Noko (2011:354) and (Sibanda, 2017) that ZAR should be Zimbabwe's chief currency.

The Minister of Finance, Patrick Chinamasa, recommended that the tourism industry and accommodation establishments should use ZAR to cushion itself against liquidity and cash crises (Chinamasa, 2016:129). Muzapu and Sibanda (2016:60) argue that the industry is integrated with other sectors of the economy so therefore it cannot realise its maximum potential in isolation. It can be concluded that for tourism to do well, all other sectors should use ZAR as the official currency because the liquidity crisis affects all sectors of the economy. Ivanonic *et al*. (2009:83) identified six attributes of a good tourist destination, which are good accommodation, accessibility, attractions, activities, amenities and auxiliary services.

According to Muzapu and Sibanda (2016:60), Walter Muzembi, the then-Minister of Tourism in Zimbabwe, noted that the rate in US$ per night charged for accommodation was high, thereby shortening the length of tourist stays. Furthermore, tourists could spend more nights in a good South African hotel for the same price as charged for one night in a Victoria Falls

hotel. In other words, accommodation in Zimbabwe is less competitive in terms of quality and price in comparison to South Africa. The research conducted by the Zimbabwe Tourism Authority (ZTA) (2015:43) indicated that the average national room occupancy was 47%, while Victoria Falls had 52% average room occupancy. Despite indications by Rusike and Chitambura (2012) that the accommodation business grew after dollarisation, Muzapu and Sibanda (2016:60) report that the occupancy rate declined with 17% in 2014.

Although dollarization contributed to growth in accommodation establishments, the businesses did not operate at their full capacity (Rusike & Chitambara, 2012:5; Muzapu & Sibanda, 2016:60). Given that the occupancy rate is determined by competitiveness and price, adoption of the ZAR as the main currency will increase the room occupancy as there will be no price difference in the quality of accommodation in South Africa and Zimbabwe and prices can be benchmarked (Sibanda, 2017).

The issue of currency change affects the economy and all tourism stakeholders (government agencies, private companies, tourists and the community). According to Ivanovic *et al.* (2009:135), the government formulates policies and regulations that govern tourism development. The private sector and community is also controlled by these policies thus their needs should be carefully catered for to enhance sustainable social and economic development. As the current government continues to hold workshops with the public and different stakeholders to tackle the cash crisis and in deciding the preferred currency (Karombo, 2019), it is argued in this study that the views of the tourism sector represented by accommodation establishments on the perceived impacts should be incorporated in understanding the complexity of such a decision. An understanding of this complexity will not only benefit the accommodation sector but benefit other sectors of the economy.

The study considers private sector (accommodation establishments) as an important stakeholder on the subject of the study. Thus, this study is informed by the stakeholder theory, collaboration theory and social exchange theory (SET). The stakeholder theory states that all stakeholders should participate in the decision-making and implementation of strategies for the success of business or projects (Freeman 2010, 46). On the other hand, the collaboration theory states that a joint decision-making process is put in place by key stakeholders to effectively resolve conflicts, manage planning and development of a tourism destination. In the context of the study, collaboration on the possible currency change is viewed a crucial in the management and development of tourism in Zimbabwe. Lastly, SET emerges in this study because of the impact that possible currency change will have on the "exchange of rewards between actors" (Zafirovski, 2005). A detailed discussion of these theories is presented in

Chapter 2. The current study explores the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls.

1.2 Clarification of basic terms

The basic terms presented in this section are presented in line with the context of the study.

1.2.1 Accommodation

According to the National Institute of Open Schooling (2013), accommodation is short-term lodging (overnight or longer) that varies from low budget backpackers, hostels, motels, bed and breakfast establishments and lodges to world class hotels that provide a home away from home. It takes into account the image location, price, facilities and the level of service. Accommodation forms part of the basic needs for all tourism activities at a destination. It also offers other hospitality services like restaurants where food and beverages are available to guests at an additional price (Page & Connell, 2006:203). Sharply (2006:14) argues that accommodation is an essential ingredient of a tourist's experience and fundamental to the tourism economy as it accounts for high tourist expenditure (Sharply, 2006:14). Ramukumba and Ferreira (2016:3) report that tourists spend about one third of their total budget on accommodation.

1.2.2 Currency

According to Stoute (2015:319), currency is an accepted form of money that includes paper notes and coins, which the government issues and circulates in an economy. Currency facilitates sales, the purchase or trade of goods and services between parties, thus forming the basis of trade. Generally, every country has its own currency, for example, Switzerland has the Swiss Franc, Botswana has the Pula, Nigeria has the Naira, South Africa has the Rand and America has the US$. However, several European countries use the euro. Although currencies can be specific to a nation, countries like Zimbabwe have declared foreign currency as their main currency due to its value and that it can be converted to another currency in the money market (Investopedia, 2017).

1.2.3 Impact

An impact is to have influence on something (Cambridge Dictionary, n.d.). It can be either positive or negative.

1.2.4 Perception

Perception is a process by which individuals select, organise and interpret information input to create a meaningful picture of the world (George, 2007:577). An individual selects the input from other people, ideas events and objects, therefore it can be substantially different from the objective reality (Chitale *et al*., 2012:140). Perception is influenced by individual aspirations, personalities, values and attitudes, innate abilities and learned skills, the effects of experience and general intelligence (Chitale *et al.,* 2012:140). Khanka (2008:70) reported that the environment in which perception occurs and events being perceived also influence perception.

1.2.5 Victoria Falls town

Victoria Falls town is situated in the Matebeleland North Province of Zimbabwe. The town was named by David Livingstone after Queen Victoria (Victoria Falls Guide, 2018a). It was developed in the early 1900s with the archetypal features of a tourist destination (McCrea & Pinchuck, 2000:186). Michler (2007:63) described it as the adrenaline Capital of Africa, one of the world's major tourist destinations and boasting Zimbabwe's finest lodges and hotels.

The town is home to the famous Victoria Falls waterfall, the widest in the world and one of the world's natural wonders (Michler, 2007:62). Tourists from across the world visit the town all year round. However, the greatest views of the falls are during the summer months March/April when low water volumes in the Zambezi allow other activities such as white-water rafting (Victoria Falls Guide, 2017). Victoria Falls town has something for everyone, such as adrenaline adventure sports, reptile parks, helicopter flights over the falls and traditional tribal dance shows, among other activities (Wam, 2002:63).

1.3   Problem statement

Several authors (Noko, 2011:340; Rusike & Chitambara, 2012:8; Nkomazana & Niyimbanira, 2014:69) have proved that the use of US$ as Zimbabwe's currency of reference brought a milestone change to the economy over a short period, a situation any economist would

arguably understand. Although the economy recovered, the country's products and services became expensive and less competitive than the neighbouring Southern Africa countries (Chinamasa, 2016:88; Sibanda, 2017).

Muzapu and Sibanda (2016:60) report that the results of the research conducted by the Zimbabwe Tourism Council in collaboration with the Zimbabwe Economic Policy Analysis Research Unit in February 2016, indicate that accommodation in Zimbabwe is too expensive and a decline in room occupancy of 27% was recorded since 2014. In addition, the accommodation and hospitality industry experienced an unexpected migration of skilled and experienced workers to neighbouring countries, mainly South Africa and Zambia (Mpofu & Chitura, 2015:1).

In 2015, many companies closed down, leading to a fall in exports which resulted in cash shortages (liquidity crisis) forcing banks to introduce a daily ATM withdrawal of maximum US$50.00, US$20.00 minimum and an average of US$100.00 per day (Mashakada, 2016). The liquidity crisis and high prices affects the potential of accommodation businesses and the tourism industry in reviving the Zimbabwe economy through job creation and GDP contribution. The substitution of US$ with ZAR or reinstating the ZW$ as Zimbabwe's main currency is perceived as the best solution to the cash shortage and reviving the economy (Chinamasa, 2016:88). Several research studies and reports Rusike & Chitambara, 2012:8; Chinamasa, 2016:88; Mpofu & Chitura, 2015:1; Muzapu & Sibanda, 2016:56) have been conducted on the impacts of dollarization on accommodation establishments, while literature is limited on the possible impacts of using ZAR or other currency as the reference currency on accommodation establishments. Therefore, the purpose of this study was to investigate the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls.

This study is very crucial in revolutionising decision-making of matters that are critical to the growth and sustainability of the economy. Involvement of accommodation establishments in the currency change decision provides a platform to discuss their preferred currency and how the current currency is affecting their business. Failure to address the research question may have implications for the government, accommodation establishments and the tourists.

1.4   Background of the research problem

Zimbabwe was one of the most successful sub-Saharan countries with an excellent infrastructure and productive private sector after the country's independence in 1980. At that time, the ZW$ was more powerful than the US$ with an exchange rate of ZW$1 to US$1.47 (Sikwila, 2013:398). However, the powerful economy started to deteriorate due to a series of

political and economic events (Nkomazana & Niyimbanira, 2014:69). In 2008, the GDP dropped by 40%, unemployment rates increased to 80%, owing a debt of US$3.07 billion and operating on a budget deficit of ZW$1760 quadrillion. In July 2018 the value of the ZW$ dropped to ZW$10 billion equivalent to US$0.33 (Sikwila, 2013:398). This was the beginning of unprecedented hyperinflation which negatively affected both private and public business, resulting in low productivity. The situation let the then-Governor of the Reserve Bank to dollarise the economy (Noko, 2011:349).

Dollarisation is when a country outside of the United States of America adopts US$ as its official currency and legal tender (Kabote *et al.*, 2013:32). It can be equated to Randification, whereby ZAR is used as the main currency in trading and holding assets in a country outside of South Africa (Nkomazana & Niyimbanira, 2014:72).

After the successful implementation of the dollarisation policy, a growth in economy was seen, characterised by reduced hyperinflation, stable prices and exchange rate, and business could better plan as the key indicators were more predictable (Nkomazana & Niyimbanira, 2014:72). Accommodation businesses across the country were boosted by an increase in room occupancy due to growth in tourist arrivals, both regional and international (Rusike & Chitambara, 2012:3). For example, the room occupancy in the town of Victoria Falls rose by 3% (ZTA, 2015:40). However, Muzapu and Sibanda (2016:56) reported that these businesses were not operating at full capacity due to the reduction in tourists' length of stay (1–2 days). The cause was attributed to the exorbitant prices being charged on other services, for example a breakfast for a family of four cost the equivalent to a one-night stay at an upmarket lodge in South Africa (ZTA, 2015:40). Muzapu and Sibanda (2016:56) report that Walter Muzembi, the then-Minister of Tourism in Zimbabwe, indicated that the hotel pricing system was almost akin to extortion.

Although there is no doubt that dollarisation revived the economy, the country was still operating under a hostile environment whereby exports were less than imports (Muzapu & Sibanda, 2016:56). The situation caused liquidity problems as there was limited foreign currency flowing and circulating in the country (Newsday, 2016). Mwanawashe (2017) advised that while the multi-currency regime should be maintained, the CZI should urge the government to adopt ZAR as the reference currency to mitigate liquidity and the cash crisis.

According to the Deputy-Governor of the Reserve Bank of Zimbabwe, Kuphukile Mlambo, the use of ZAR allows benchmarking of prices which is impossible to do with the US$ (Sibanda, 2017). Chinamasa (2016:88) further recommended that the hospitability industry should implement ZAR pricing system as per the agreement between tourism, hospitality industry and

the Reserve Bank of Zimbabwe. Viljoen and Marawanyika (2017) report that an official from the South African Reserve Bank (SARB) stated that it would be prudent for Zimbabwe to use the ZAR. While different boards inside and outside Zimbabwe support the Randification of the Zimbabwe economy, this paper investigates the perceptions of accommodation establishments in the town of Victoria Falls on the impacts of possible currency change on their businesses.

The aim of this study was to assess the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls in Zimbabwe.

1.4   Research objectives

The following objectives needed to be met to achieve the aim of this research:

- To determine the current pricing structure among the accommodation establishments in the town of Victoria Falls;
- To determine the involvement of accommodation establishments in the discussion of possible currency change in Zimbabwe;
- To determine the preferred currency by the accommodation establishments in the town of Victoria Falls;
- To ascertain the impact of current currency on accommodation establishments in the town of Victoria Falls; and
- To ascertain the perceived impacts of currency change on accommodation establishments in the town of Victoria Falls.

1.5   Research questions

The following questions guided the study in establishing the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls.

- What is the current pricing structure among the accommodation establishments in Victoria Falls?
- What is the involvement of accommodation establishments in the discussion of possible currency change in Zimbabwe?
- What is the preferred currency by the accommodation establishments in Victoria Falls?

- What is the impact of current currency on accommodation establishments in Victoria Falls?
- What are the perceived impacts of a possible currency change on accommodation establishments in Victoria Falls?

1.6   Research design and methodology

The research design and methodology of the study is presented in this section.

1.6.1   Research design

According to Tranfield, Denyer and Smart (2003:207), research is a process of using scientific methods to expand knowledge in a particular field of study. Merriam (2014:3) defined the same process as investigating or inquiring into something in a systematic manner. Research design is detailed delineation of how an investigation takes place (Business Dictionary.com, 2017a). Yin (2009:26) and Business Dictionary.com (2015) state that research design is the blueprint for research and it characteristically includes how data is to be collected, the instruments to be used, how the instruments will be used and how to analyse the data that have been collected.

In order to investigate the perceived impacts of possible currency change on accommodation establishments in Victoria Falls a quantitative research design was implemented. Aliaga and Gunderson (2000:15) defined quantitative research as "explaining phenomena by collecting numerical data that are analysed using mathematically-based methods (in particular statistics)". Wyse (2011) added that quantitative research was used to quantify behaviours, attitudes, opinions, and other defined variables and therefore results are generalised from a larger population sample.

1.6.2   Research methodology

Research methodology is a procedure, which starts by identifying the problem and then moves to drawing conclusions (Chandra & Sharma, 2004:148). It involves the literature review, formulation of research questions, collection and analysis of data, interpretation of results and drawing conclusions (Singh, 2010:156). The methods of research and data collection employed in this study are outlined and discussed below.

1.6.3   Research methods

Firstly, secondary research was conducted. According to Cowton (1998:423), secondary research makes use of information previously researched and is publicly available. The sources include books, journals, articles, magazine, theses and the Internet. The researcher will review existing literature relevant to the study to gain a broader understanding of the topic, to avoid duplication of ideas, to identify gaps and to determine research parameters.

Secondly, primary research was executed. Primary research is carried out to answer specific questions or issues (Business Case Studies, 2017). Data is acquired first-hand through experiments, tests and investigations (Business Dictionary, 2017b). Bryman (2012:212) highlighted that primary research involves the use of questionnaires, surveys or face-face interviews with individuals or small groups. Kumar (2008:17) identified six different ways of collecting data—through surveys, by observation, through personal interviews, telephonic interviews, using questionnaires and through schedules.

1.6.4   Procedure

The researcher used questionnaires which were administered face-to-face on respondents who were managers/owners of accommodation establishments. This process helped the researcher to gather in-depth information which will reveal their thoughts and opinions on the research problem.

According to George (2011:144), a questionnaire is a series of questions put together for respondents to address the research objectives. The study questionnaire comprised structured closed-ended questions. Closed-ended questions enable the respondents to choose from answers which are provided (George, 2011:114).

1.6.5   Population and sampling

According to Kothari (2004:41), a population is the large group from which a sample is selected to participate in a study. Cherry (2016) defines a sample as a subset of the total population whose characteristics represent the entire group. Therefore, sampling is a process of selecting a suitable sample of a population to determine the parameters of the whole population (Edward & Shilling, 2009:58).

In determining the population, the researcher established a database of 75 accommodation establishments (hotels, B&Bs, lodges and backpackers) in the town of Victoria Falls, listing the name of the establishment, physical address and contact details. Different advertising and booking websites were used to compile the database. These are Booking.com, Safari Now, Hostel World, Trivago, Expedia, Trip Advisor and Zimbabwe Tourism Authority (ZTA).

1.6.6 Sample size

According to Krejcie and Morgan (1970:608), a sample of 63 representatives out of 75 accommodation establishments gives 95% confidence, therefore, 63 accommodation establishments were surveyed. A simple random sampling method was used because the research focuses on all accommodation types. In this sampling technique, every member of the population has an equal chance of participating (Singh & Mangat, 1996).

1.6.7   Data analysis

After collecting the data, the IBM23 Statistical Package for Social Science (SPSS) was used to analyse and synthesise the data. The analysed data are presented in graphs and interpreted to draw conclusions and make recommendations (see Chapter 4 and Chapter 5).

1.7 Delineation of the study

This study is limited to determining the perceived impacts of possible currency change on accommodation establishments in a selected Zimbabwean town, the town being Victoria Falls. Moreover, this study is also restricted to managers or owners of accommodation establishments of all types, ranging from graded and ungraded hotels, lodges, safari camps, resorts, B&Bs, backpackers, guesthouses, self-catering establishments, and holiday homes.

1.8   Ethical considerations

According to Mertens and Ginsberg (2009:581), ethical consideration is conducting research in an ethically acceptable behaviour. Before participants proceed to the questionnaire the researcher must explain the intention of the research, interpret questions, and state clearly the rights of participants, which are to participate freely on a voluntary basis without being coerced and to withdraw from participation at any time should they so wish.

Additionally, the names of participants should not be published or revealed in the report as confidentiality and protection of privacy is prioritised (Leadbeater *et al*., 2006:161). It must be emphasised that the study is for purely academic and not commercial reasons. Anonymity is another paramount ethical principle by which participants are not required to submit their personal and contact details. Data collection can only begin once participants are happy and have agreed with the promises made concerning ethical consent (Holbrook, 1999:21). A detailed section on the ethical considerations applied in this study is presented in Chapter 3, Methodology.

1.9   Significance of the study

The Zimbabwean liquidity crisis since December 2015 has not been successfully curbed by the introduction of bond notes (Mashakada, 2016). Hospitality and accommodation businesses have been negatively affected, which is evidenced by decreased tourist arrivals and low room occupancy (Muzapu & Sibanda, 2016:60).

Extensive discussions have been held within and outside the country by different stakeholders on the way forward to deal with cash shortages, particularly the currency to use as an official currency. This study investigated the importance of involving accommodation establishments in the discussions on possible currency change, the preferred currency of accommodation establishments, the impact of current currency and the possible impacts of currency change on accommodation establishments in the town of Victoria Falls. This will assist the government authorities, economic analysts, ZTA, CZI, Reserve Bank of Zimbabwe to decide on which currency to use as the currency of reference to promote economic recovery through the growth of accommodation businesses among other sectors of the economy.

1.10   Chapter outline

The study is structured as follows:

Chapter One – Orientation of the study

This chapter explains the feasibility of the topic investigated through the evidence of literature review, gives a background to the research problem, discusses the research problem, and addresses the significance of the study and ethical considerations. In additional, the research

objectives, research questions, and the design and methodology executed to achieve the research objectives are outlined. Basic terms are defined in this chapter since the same words may have different connotations.

Chapter Two – Literature review

The literature review focuses on identifying gaps for future studies and determining current research parameters. Secondary sources such as books, journals, articles, magazines, theses and the Internet were used. Furthermore, the literature review presented in this chapter includes a conceptual framework which focuses on existing literature, specifically models and theories comprising rules, assumptions and principles applicable to the effects of possible currency change on accommodation establishment businesses to enhance a holistic understanding of the study.

Chapter Three – Research design and methodology

Chapter Three discusses the methodology of the study, including the population, sampling method, sample size, research method and research instrument used, as well as the software used for the analysis and synthesis of the data.

Chapter Four – Data analysis and interpretation

This chapter analyses and interprets data gathered from surveying the accommodation establishments in the town of Victoria Falls. The data is presented in the form of descriptive statistics with detailed interpretation from the researcher.

Chapter Five - Conclusions and recommendations

Chapter Five, the last chapter, draws conclusions and suggests recommendations based on the findings of the study. The limitations of the current study and future research direction are outlined.

1.11   Summary

This chapter provided a summary and background of the study pertaining to the perceived impacts of possible currency change on accommodation establishments in the town of Victoria

Falls. The chapter provided an orientation of the study. Research methods and design form the heart of this chapter. The objectives of the study are highlighted as crucial in guiding the research process.

In the next chapter, the literature review and conceptual framework of the study are presented.

CHAPTER TWO
CURRENCY CHANGE PERSPECTIVES AND IMPLICATIONS ON THE ACCOMMODATION SECTOR

2.1   Introduction

This chapter reviews literature on the topic of the study and critically reflects on published research that is relevant to this study. It focuses on identification, interpretation and evaluation of the existing work produced by researchers, scholars, practitioners and news reporters. It takes into consideration the different opinions of various authors, identifying the gaps and areas for future studies. Ridley (2012:3) describes literature review as an extensive referencing of secondary sources with information, data, ideas and evidence that correlates and is useful to the examination of the study under investigation. It is "a process of creating a review that appears in your own dissertation or thesis". Bruce (1994:218) adds that the literature review forms an important chapter in the thesis, where its purpose is to provide background and justification for the research undertaken. The literature review in this chapter covers the types of accommodation establishments, pricing approaches and strategies that can be implemented by accommodation establishments, the factors that led to currency change and related impacts.

2.2   Overview of accommodation establishments

Accommodation establishments cater for travellers who are temporarily away from their homes or usual place of work by providing home facilities away from home for sleep and relaxation in return for a fee. Depending on the type of accommodation, some establishments offer food, meetings, sports, health facilities and entertainment (Mensah & Mensah, 2013:59). Accommodation is the most ubiquitous and the largest sub-sector within the tourism industry. Cooper *et al.* (2005:343) posit that accommodation is the primary motivation for travel and a basic need for tourists. This notion is supported by Maslow (1943:6), that meeting basic needs is a starting point for motivation. From this school of thought, it can be asserted that a decision to travel starts by looking at availability of different accommodation options at a destination tourist wish to visit. Bhatia (2006:175) postulates that accommodation is the matrix of tourism, adding that tourism depends on the quality and quantity of accommodation establishments.

Butler and Russell (2010:1) argue that tourism is limited to only day excursions in a destination without accommodation. Poudel (2013:13) and Bhatia (2006:175) claim that tourism and

accommodation are interdependent in the sense that tourism depends on the quality and quantity of accommodation available while the growth and profitability of accommodation establishments is determined by the number of tourist arrivals. Bearing in mind the broad definition of tourism, Butler and Russell (2010:1) argue that tourism can take place without the influence of commercial accommodation in the form of hotels, whereby tourists stay with family and friends or focus on day trips. Mensah and Mensah (2013:39) report that accommodation establishments represent some of the tangible aspects of the tourism industry; they define different markets and affect tourists psychologically during their stay. Therefore, tourism development is determined by the development of different type of accommodation establishments.

Accommodation establishments can be broadly classified based on room charges (luxury and budget hotels), range of facilities (5-star to 1-star), resorts, length of stay (transit, residential) as well as ownership and management (Misra & Sadual, 2008:24). According to Mensah and Mensah (2013:39), the general classification of accommodation is based on the target market, quality of service, quality of facilities, type of service and price tiers. In addition to the aforementioned basis of classification, Bhatia (2006:178) added two categories of accommodation, which are hotels and supplementary accommodation.

2.2.1 Hotels

According to Bhatia (2006:178), a hotel is a type of accommodation establishment that provides a luxurious, fully furnished place to stay and sometimes food for a traveller at a stipulated price for profit. Jones and Lockwood (2004:1) are of the same school of thought as they highlight that a hotel provides accommodation and ancillary services for people away from home. Jones and Lockwood add that hotels provide guests facilities to eat, wash, bath, play, confer, relax, do business and different activities which relate to the functioning of human existence on a daily basis. Andrew (2007:36) states that the meals, beverages and drinks provided at hotels are subject to local customs and practices. Bhatia (2006:177) adds that the accommodation and meals can be booked in advance or on the premises, depending on availability.

A hotel as a business entity is described by Bhatia (2006:178) as:

> ...an establishment which provides board and lodging, not engaged in interstate commerce, competitive or affecting state commerce but is the quasi-domestic institution retaining from its ancient origin certain traditional, and acquiring, in its modern development, certain statutory rights and obligations to the public.

Andrew (2007:36) reports that hotels are categorised according to location, number of rooms, ownership, pricing plan, type of clientele, length of guest stay and facilities offered. Bhatia (2006:178) classifies these categories as international hotels, commercial hotels, residential hotels, resort hotels and airport hotels, capsule hotels and floating hotels. Six of these categories are common in the study area of Victoria Falls.

2.2.1.1 International hotels

These luxury hotels are located in almost all large cities, metropolitan, principal tourist centres, business and commercial towns, whose main target market is group travel, business and affluent tourists. They are characterised by the modern western style that complies with the international standards guided by the grading system (Misra & Sadual, 2008:24). Bhatia (2006:178) reports that the grading system ranges from 1-star to 5-star, depending on the facilities and services offered and this determines the prices charged to tourists. According to Misra and Sadual (2008:24), the facilities and services provided are concierge, banquet halls, conference, money changing and safe deposit facilities, restaurant, entertainment, sports and games, gymnasium, swimming pool and health clubs, to mention but a few. Mensah and Mensah (2013:39) highlight that key departments for the smooth daily operation of an international hotel are reservations, front office, housekeeping, marketing, human resource, finance and administration, and food and beverage.

Bhatia (2006:178) points out that international hotels belong to international or regional chains that are owned by public companies and controlled by a board of directors. The author further notes that each hotel in the chain has an organisational structure whereby various departments are managed by qualified and experienced personnel who report to the general manager. For example, Victoria Falls Hotel is managed by the African Sun regional chain. The hotel is located 10 minutes away from the mighty Victoria Falls. It is a world-class historic and luxurious 5-star hotel renowned for impeccable service and exceptional facilities. This is evident in several accolades awarded by different boards such as Zimbabwe Tourism Authority (ZTA), Conde Nast Travel, Virtuoso and Trip Advisor, to mention but a few. The accommodation comprises 161 rooms to cater to the needs of leisure and business travellers, ranging from individuals, groups, families, couples to honeymooners (Victoria Falls Hotel, 2018c).

There are very few international hotels in the town of Victoria Falls. This might be attributed to economic hardships facing Zimbabwe, which have affected foreign investment and tourism growth (Sanderson & Pierre, 2017:131). Muzapu and Sibanda (2016:60) report that the accommodation is expensive compared to other hotels in the region, which might scare away

tourists. Therefore, investors might lose confidence for fear of making a loss. Growth of international hotels should be prioritised. Bhatia (2006:175) supports this idea by stating that tourism growth begins with accommodation development. Lazzeretti and Petrillo (2006:202) confirm that accommodation development enhances destination competitiveness.

2.2.1.2 Resort hotels

A resort hotel is defined as a recreational hotel which is situated near a place that bounds with natural beauty such as sea, mountains or lake for upmarket tourists whose primary motive to travel is relaxation, rest, entertainment, health and desire for a different atmosphere (Misra & Sadual, 2008:26). The hotels are classified based on topography and climate, however, some resorts are located in National Parks (Bhatia, 2006:178; Misra & Sadual, 2008:26). Jayapalan (2001:214) identified five types of resorts, which are winter resorts, summer resorts, hill resorts, all season resorts and health resorts. Misra and Sadual (2008:26) further noted that these establishments are fully operational in season but are open all year round to those who wish to visit anytime of the year. Some resorts have facilities similar to international hotels. Bhatia (2006:180) states that facilities offered at resorts are centred on recreation, especially indoor activities. Examples of these facilities include swimming pools, golf courses, tennis courts, skiing, boating, surfing, diving, deep-sea fishing, entertainment, restaurants and shopping arcades.

Elephant Hills Resort is an example of such a resort in the town of Victoria Falls. The resort operates all year round. It boasts a variety of facilities like the 18-hole golf course designed by Gary Player, two floodlit tennis courts, two squash courts, a large sparkling swimming pool, bowling greens, a gymnasium, modern conferencing facilities and equipment and three restaurants. The resort is in close proximity to a variety of activities in the town as well as the mighty Zambezi River. These activities include flights over the falls, river rafting, cultural experiences, white water rafting, canoeing, golf, bird watching, river cruises, a tour of a nature sanctuary, micro lighting, Victoria Falls steam train experience, bungee jumping, river boarding and rafting (Elephant Hills, n.d.).

There are not many of these types of hotels in Victoria Falls. Developing an all-season and health resort is a benefit to tourism development and economy growth, resulting in market diversification. The town enjoys a savannah climate characterised by wet warm summers and dry cold winters. The weather is pleasant all year round so any time of the year is tourist season (Victoria Falls Guide, 2017). It can be concluded that developing more resorts is one of the ways to promote domestic tourism as families, couples and honeymooners can economically

create memories together. Meals, activities and beverages are paid upfront, therefore the holiday could be best described as a cash-free and worry-free holiday.

2.2.1.3   Commercial hotels

Misra and Sadual (2008:26) state that commercial hotels are defined as accommodation establishments that focus on individual business travellers. Jayapalan (2001:214) reports that these hotels are located in the commercial and industrial centres of large towns and cities. Bhatia (2012:64) notes that commercial hotels are run by individual owners who ensure guests' comfort by providing all necessary facilities. Bhatia (2006:181) underlines that other than functional accommodation, fully licensed commercial hotels are equipped with restaurants, grill rooms and garages. Examples of these hotels in the town of Victoria Falls are Ilala Lodge, Cresta Sprayview Hotel, Stanley and Livingstone Hotel and Mandebele Lodge.

2.2.1.4   Residential hotels

According to Misra and Sadual (2008:26), residential hotels are best described as apartments with typical hotel service but no meals are provided to guests. Bhatia (2012:61) postulates that the rooms in these hotels are either furnished or unfurnished. Rates are charged on a monthly, half-yearly or yearly basis (Bhatia, 2006:181). Residential hotels are common in the USA and Western Europe and are becoming increasingly popular in Africa as they offer many advantages. These hotels have the potential to grow the international market due to the beautiful weather all year round in the town of Victoria Falls.

2.2.1.5   Floating hotels

Misra and Sadual (2008:25) define floating hotels as hotels that are located on the water surface of a lake, river or sea. In some countries they are known as houseboats. Bhatia (2012:61) notes that floating hotels offer an exclusive and exotic atmosphere. Some of these floating hotels are built from scratch and some are converted old luxury ships (Bhatia, 2006:181). Services and facilities offered are on par with international hotels (Misra & Sadual, 2008:25). Floating hotels built on the Zambezi River can be of great benefit to the tourism industry and the economy as they focus on a specialised niche market. Currently, there are houseboats which operate from Kariba town to Victoria Falls town along the Zambezi River (Victoria Falls Guide, 2018b).

2.2.1.6   Airport international

Airport hotels are described by Bhatia (2006:181) as hotels that are located close to the airport for the convenience and comfort of air travellers, persons in transit, persons delayed by cancelled flights, air crew and business travellers. Misra and Sadual (2008:25) noted various facilities offered at these hotels, which include all facilities of an international hotel, and a parking and shuttle service. There are no airport hotels in Victoria Falls since the town is very small but the airport, hotels and attractions are in close proximity.

2.2.2   Supplementary accommodation

Supplementary accommodation is accommodation establishments that offer overnight accommodation and meals to a modest traveller in return for payment (Bhatia, 2006:182). Bhatia adds that supplementary accommodation appeals to domestic and international tourists and they therefore play a crucial role in tourist accommodation available in a destination. In some countries like France and Italy, supplementary accommodation is in higher demand than hotels. From a price perspective, Bhatia (2012:61) notes that the rate/price charged per day is based on the service provided. Misra and Sadual (2008:26) elaborate that the atmosphere experienced by guests is informal, services are moderately priced and entertainment is of great emphasis to enhance social contact among guests. Bhatia (2006:182) identified four types of supplementary accommodation that are likely to be found at most tourist destinations, which are motels, youth hostels, camping sites and bed and breakfast establishments.

2.2.2.1   Motels

According to Misra and Sadual (2008:26), motels represent an important segment of the accommodation industry as they meet the trend in travel patterns and tourists' preferences. Bhatia (2006:182) adds that these establishments provide overnight accommodation for both locals and international tourists on a road trip. Due to the nature of their purpose, the establishments are located in the countryside along the highway, often at an important road junction (Bhatia, 2012:61). The accommodation is generally offered in chalets inclusive of facilities such as restaurants, garage, parking space, repair service, filling stations, repair services, accessories and recreational activities (Bhatia, 2006:182).

Misra and Sadual (2008:26) report that all motels provide comfortable accommodation but services offered vary from one motel to another, depending on the level of service, amenities and facilities which determines the star grade. Bhatia (2006:182) states that in some countries

like America motels are ranked at the same level as hotels in terms of service and facility standards but accommodation, meals, and refreshments are far more affordable than hotels. This is an area of accommodation which needs to be developed to meet the needs of self-drive tourists. Motels should be built between Victoria Falls and Kariba as this is a long distance to travel in one day. This would encourage tourists to visit both towns since there is so much to offer.

2.2.2.2   Youth hostels

Bhatia (2006:182) describes youth hostels as accommodation establishments which provide facilities of dormitories, kitchen, living room and luggage room. Bhatia goes on to point out that youth hostels provide clean and inexpensive shelter to sleep, eat or prepare meals for young people travelling domestically or internationally in groups, or independently on holiday, or for educational purposes. Misra and Sadual (2008:26) state that hostels are designed to foster friendships among young people from all social backgrounds. This is evident from the type of services and facilities offered, which include accommodation, meals, recreation and self-catering facilities (Bhatia, 2012:61). Backpacker establishments are common in the town of Victoria Falls and meet the needs of a budget traveller and young people. Examples of these backpacker establishments are Victoria Falls, Shoestrings and Mambo Backpackers, to mention a few.

2.2.2.3   Camping sites/caravan sites

Bhatia (2006:183) states that camping sites are well known as open-air hotels or tourist camps. They are situated in large cities on open ground and are frequently utilised by hikers. Misra and Sadual (2008:28) assert that standard services provided at a camp site include parking, space to pitch a tent, electricity, toilets, restaurants, recreational rooms and a grocer shop. Camping sites are a common type of accommodation for a budget traveller in the town of Victoria Falls. Camping sites include Olgas-Italian Corner, Concept, Panda Rest Camp, N1 camp site and Victoria Falls Rest Camp.

2.2.2.4   Bed and Breakfast (B&B)

Misra and Sadual (2008:28) note that bed and breakfast (B&B) establishments are a fast-growing segment of accommodation industry. These establishments provide accommodation and breakfast only to leisure and business tourists. Bhatia (2006:183) mentions that they are located in large cities and towns along holiday and commercial routes, as well as in resort

areas. B&Bs account for a fraction of the accommodation establishments in the town of Victoria Falls, providing accommodation for both the domestic market and the international budget traveller.

2.3   Characteristics of accommodation establishments

According to Gupta, Singh, Kirar and Bairwa (2015:49), accommodation is an element of the tourism product. Zappiano (2005:6) defines a tourism product as an essential need that motivates people to travel. Arunmozhi and Panneerselvam (2014:32) add that a tourism product is an object that attracts tourists to a destination, of which accommodation is one. Poudel (2013:9) articulates that an accommodation product is a complex combination of elements to provide a memorable stay for tourists at a holiday destination. This is supported by Mensah and Mensah (2013:51), who assert, "all tourism products are meant for relaxation". Bennett, Jooste and Strydom (2005:5) noted that accommodation is similar to other tourism products in nature, meaning the services are intangible, inseparable, highly perishable and variable.

The study conducted by Benoit (2010:366) shows that these characteristics determine the sustainable, smooth operation of accommodation establishments in terms of development, marketing, advertisement, service delivery, customer satisfaction, pricing of services and staff training. Therefore, the success and profitability of accommodation establishments lies in understanding the impact of each individual characteristic. These characteristics are discussed in detail below.

2.3.1   Intangibility

Mok, Sparks and Kadampully (2013:17) state, "tourism services are primarily intangible as they do not have a physical dimension which can be touched seen, tasted or smelled as manufactured goods". Interestingly, these authors highlighted that accommodation establishments are both tangible and intangible in nature. Shostack (1982) used a molecular model to demonstrate the importance of both tangible and intangible factors of accommodation in customer satisfaction. The model shows that all tangible and intangible elements (accommodation, facilities, food and beverages, staff presentation and service delivery) represent atoms of a molecule. Therefore, change of one element affects the structure of the entire molecule. This illustration expresses that all elements are equally important. Mismanagement of one aspect affects overall experience (Albayrak *et al.*, 2010:140).

Tangible factors are tactile, audible and visual at the time of purchase (McMahon-Beattie & Yeoman, 2004:93). The tangible aspects of accommodation establishments can be evaluated before purchase (Mok *et al.*, 2013:16). Poudel (2013:9) identified these tangible factors as location, physical surroundings of the hotel, uniforms of staff, decoration, hotel design and architecture, food and beverages. McMahon-Beattie and Yeoman (2004:93) noted that tangible factors play a fundamental role in creating a desire to travel and stay at a particular hotel. Albayrak *et al.* (2010:140) report that marketers and sales people use these factors to showcase the appearance of establishments, thus creating a perception of what guests should expect. Thriving to exceed these perceptions is what satisfies customers and creates lasting memories. Consequently, there will be repeat guests who are likely to recommend the establishment to their friends and relatives. Moeller (2010:366) and Mok *et al.* (2013:16) suggest ways in which tangible factors can be managed, being well-trained staff, attention to detail, technological advancement and substantial capital investment to keep up with the ever-changing needs of the market.

Poudel (2013:9) describes tangible factors as invisible or non-physical at the time of purchase. The author adds that these factors are very complex to manage and sell. They include ambiance and service that staff deliver as they interact with guests, for example during check-in, room service, serving meals and at entertainment venues. One of the recommended ways to reduce the intangibility of these factors is by taking a video of the hotel interior and exterior when staff is interacting with guests during service delivery and then send it to a prospective guest.

2.3.2 Inseparability

Bennett *et al.* (2005:5) assert that production and consumption of accommodation services are inseparable, meaning the service cannot be separated from the provider. For example, the receptionist at the hotel cannot render a service when guests are not present. Tassiopoulos (2008:207) added that the production and consumption of services required the simultaneous presence of the guest and service provider as it occurs at the same place and time. It is therefore required of a consumer to go to where the product is produced. Mok *et al.* (2013:18) report that the service is purchased first, produced, and then consumed. This can be illustrated by guests booking accommodation via travel agents, tour operators or directly on the Internet. They will only experience the ambience, service and comfort of accommodation once they arrive at the hotel. The consumption of service starts when they are collected by the hotel shuttle at the airport. The interaction of the driver and guests contributes to the overall guest experience. Thereafter, different service providers will be ready to serve in their respective

departments, for example, security at the gate, porter at the hotel entrance, receptionist at the reception, chefs and waiters at the restaurants.

On a different note, Mok *et al.* (2013:18) report that it is extremely difficult to do mass production and consumption of tourism services due to their inseparability of nature. The reason being it requires a lot of customers and service providers in one place and at the same time. It can be argued that mass production is common in the accommodation industry whereby tour operators and/or travel agents book the exclusive use of hotels or lodges for tourists travelling in groups.

The inseparable nature of the accommodation services implies that the services cannot be taken home (Mok *et al.*, 2013:18). Guests make use of the service for a specific period, allowing the next people to make use of the same service. It is therefore vital that all employees are well trained to acquire skills that enable them to offer excellent service consistently. Verma (2008:385) noted that there is no correction once a mistake has been made during the service delivery process. Sturman, Corgel and Verma (2011:142) support the idea of employee training, stating that trained employees need to be well motivated and monitored to achieve consistent and excellent service delivery. On the other hand, Mok *et al.* (2013:18) believe that training and motivation might be the same but each and every service encounter is likely to be different, whether serving guests or interactions between service providers. In other words, the accommodation service is variable.

2.3.3 Variability

According to Misra and Sadual (2008:55), services offered in accommodation establishments are subject to high levels of variability. The authors further explain that consistency is challenging to achieve because there are no machines involved in service delivery. The service is provided by people to people and varies from one person to another and from one hotel to another. Needham, Dransfield, Coles and Rawlinson (1999:81) argue that service delivery depends on the mood, attitude, feelings, skills, knowledge and other external factors such as technology, climate and political factors. Furthermore, Lockyer (2010:2) indicates that variability depends on where, who and when the service is provided. Mok *et al.* (2013:18) argue that guests are part of the service and therefore they influence the overall experience in the same manner service providers do. It is vital that clients give service providers a detailed account of their expectations so that their demands can be met. Conversely, different needs and fluctuating demand of guests influence inconsistency in service quality. Lockyer (2007:2)

supported this by stating that the service offered in a hotel during peak season and low season varies.

During peak season, the time spent by a service provider with a guest is short compared to in the low season. It is often very difficult to offer and control the expected quality of service. Needham *et al.* (1999:81) emphasise that hotel management should always maintain strict control and aim for service consistency. Lockyer (2007:2) is of the same view but notes that variability due to external factors like weather is uncontrollable. Although variability cannot be controlled, Needham *et al.* (1999:81) claim that management can reduce it through effective human resource polices on staff selection, training and motivation. Consistency in service delivery is vital for the success and growth of the accommodation business. Mok *et al.* (2013:19) agree with this statement, articulating that consistency attracts repeat guests. Those repeat guests tell their friends, colleagues, acquaintances and relatives, thus marketing through word of mouth. Guests will look for alternative accommodation where the service varies.

2.3.4 Perishability

Perishability means that the services cannot be stored for future use, saved, returned or resold and this means services cannot be mass produced to cater for peak season (Needham *et al.*, 1999:81; Mok *et al.*, 2013:19). If a hotel room is not sold, that is revenue lost. Thus, unsold rooms are a loss to the business because there is no revenue generated. It is therefore required of hotels to implement measures like cancellation fees and discounted rates to boost the occupancy rate. Occupancy rate is defined as the number of occupied rooms per night divided by number of room vacant (Lockyer, 2007:2). Similarly, poor service at the reception or hotel restaurant can never be redone. It is not feasible for a manager to tell guests to re-enter the hotel or restaurant and start the experience all over again.

Fluctuating demands make perishability a major concern (Needham *et al.*, 1999:81). During peak season, most hotels in tourist hubs like Victoria Falls town operate on 100% occupancy rate but it decreases drastically during low season. For this reason, accommodation establishments should be developed in such a way that they maintain operational capacity that meet peak demands (Needham *et al.,* 1999:81). George (2011:36) reports that managing production and consumption of service minimises the effects of perishability. Needham *et al.* (1999:81) suggest that hotels should employ experienced part-time staff during peak season to cope with the large number of guests at hotel. In addition, creative strategic pricing should be used to encourage off-peak season bookings.

Hotel pricing strategies are discussed in the next section.

2.4   Pricing of accommodation establishments

Leader and Kyritsis (1990:115) define price as the monetary value of a service at a specific time. Price is the medium of exchange between the producer and consumer (Rao, 2005:169). It is the payment made by consumers in exchange for goods and services (Karahan, Durmaz, Alsu & Durur, 2016:2739). Rao (2005:169) further states that organisations use different terminology to denote price. For example, educational institutions refer to it as tuition, insurance companies as premium, banks call it interest and hotels call it rates.

Rao (2005:169) argues that price seeks to achieve predetermined business sales volumes (occupancy rate) and revenue, at the same time maximising perceptions of potential customers on the value of money for the service offered compared to competitors' offerings. Value for money is defined as the amount of services that can be bought by a unit of money. It also depends on the quality and price tagged on the service (Mehta, 2000:57). Doswell (2009:75) postulates that price is an indication of quality and value while Seaton and Bennett (1996:136) emphasise that price is an important cue which is inseparable from the perceived quality in the market place. Kozak and Baloglu (2011:176) support this idea by asserting that price is the value of a service. Therefore, organisations should not charge exorbitant prices as this can scare away clients or may misrepresent the true value of service (Mutori, 2016:1).

Schutte (1999:57) found that price and quality equals the value of money. The value of money concept is very important to guests because they did not have an opportunity to taste, feel or experience the service before travelling. As a result, they need to decide if it is worthwhile staying at a specific establishment rather than elsewhere, based on price. According to Schutte (1999:57), price, perceived quality and value of money can establish the degree of competitiveness of an establishment. The price-value relationship should not be overlooked, nor should price be over-emphasised. Thus, pricing is an integral part of the decision-making process as it influences demand, occupancy rate, profitability and total revenue for the establishment (Rao, 2005:169). Rao continues, that unlike any other business, pricing of accommodation establishments takes into consideration the characteristics of service (intangibility, inseparability, perishability and variability), price-value relationship (average rate paid for the same service), influence of non-monetary costs (time, search and psychic costs incurred by guests during decision-making) and price-quality relations (guests are likely to perceive quality of service based on price). Decisions on pricing are critical; the right pricing

strategy should be implemented to achieve the short- and long-term goals as well as the vision of the establishment in alignment with its mission (Schutte, 1999:57).

2.4.1 Pricing strategy/structure

According to Kokemuller (2018), a pricing strategy is the same as pricing structure. Kokemuller defines pricing strategy or structure as "a consistent, uniform, planned approach to pricing of products and services to achieve business and marketing goals". According to the Economic Times (2018), a pricing strategy takes into account "segments, ability to pay, market conditions, competitor actions, trade margins and input costs, amongst others. It is targeted at the defined customers and against competitors". Rao (2005:172) highlights three reasons why businesses ought to implement a reflective pricing strategy. Firstly, the pricing strategy aims to regenerate enough revenue to cover all expenses and enhance business expansion. Secondly, it is crucial to ensure optimum room occupancy per night at any given time to avoid loss through unoccupied rooms. Thirdly, pricing can be used as a tool to develop good relationships and loyalty with guests. George (2011:307) highlights three different pricing approaches which can be used to come up with best pricing strategies for different businesses to meet their goals.

These approaches are cost-based pricing, demand-based pricing, value-based pricing and competition-based pricing.

2.4.1.1 Cost-based pricing

Pride and Ferrell (2010:585) and George (2011:307) describe the cost-based pricing approach as the easiest and most straightforward approach to determine the sale price by adding mark-up to the total cost of production. Although George (2011:307) perceives this approach as the easiest, Rao (2005:173) notes that cost-based pricing is difficult to apply in the service industry where the cost of each unit of service is very difficult to trace. While it is more complicated to price labour than materials, calculating the value of an employee's time and skill is not easy. Pride and Ferrell (2010:585) state that the approach does not take into account the economic aspects of demand and supply as well as competition. Rao (2005:173) further notes that businesses with fluctuating demand trends cannot use this approach as the fixed costs will be high in comparison to total cost. High fixed costs are incurred during periods of low demand and vice versa for periods of low demand. It is disastrous to have fixed pricing for both the high and the low season that can lead to loss of marketing opportunities that are beneficial to the business in the long run. On the other hand, George (2011:307) asserts that the restaurant of the hotel can use this approach for food and wine. Moreover, Bhattacharya (2006:330)

maintains that it is possible to apply this approach to all specific events and conferences held at the accommodation establishment whereby the cost for holding such an event is established and then a mark-up is added.

2.4.1.2 Demand-based pricing approach

Demand-based pricing approach has been defined as a pricing method that uses demand and perceived value as core elements (Pride & Ferrell, 2015:643). Rao (2005:173) ascertains that demand-based pricing approach is customer orientated. The prices are set based on an objective to sell certain number of rooms at a given specific period of time taking in consideration market conditions (Weinstein, 2012:106). The approach takes into account guests' acceptability of a service at a price for a specific period of time, sensitivity to non-monetary value and guests' perception on value.

The perception of value differs from one guest to another. Some guests define value based on the lowest price they pay, others based on the benefits they receive from that service, some based on the monetary and non-monetary value sacrificed to get the service (Rao, 2005:173). The demand-based pricing enables accommodation establishments to charge high prices when the demand is high (peak season) and low prices when the demand is low (low season) despite the production cost of the service (George, 2011:308). This pricing approach is implemented by most of the hotels in the town of Victoria Falls to maximise capacity during peak season and lure more clients during the low season when the falls are at their lowest level. By applying a demand-based approach, accommodation establishments can generate more profits (George, 2011:308).

2.4.1.3 Competition-based pricing approach

Competition-based pricing approach is when management set the price based on what competitors are charging for the same service (Rao, 2005:173). This pricing approach is also known as "me-too" pricing. The aim of this approach is to increase the occupancy rate and market share. George (2011:308) noted that competition-based pricing approach is applicable to markets that are price sensitive. Kumar (2007:206) defines price sensitivity as the degree to which demand is affected by increase in price. Clients are likely to be sensitive where service benefits are similar for an example at backpackers and other low cost accommodation. Management should therefore incorporate price with other marketing mix components (place, service and promotion) to gain a competitive edge. George (2011:308) indicated that it is always difficult to identify competitors due to indirect competition. Direct competition takes place between companies that sells exactly the same products or services and targets the

same clientele while indirect competition is from companies that sells substitute products (Young & Pagoso, 2008:63).

2.4.1.4 *Value-based pricing approach*

According to Gbadamosi, Nwakwo and Bathgate (2013:204) the value-based pricing approach is a pricing approach whereby the price is set based on clients 'perceived value of the product or service. This approach is influenced by what customers think is worthy the service. The management carries a market research to know the price which guests are willing to pay for the service then set that price. For an example, customers may be asked how much they are willing to pay for a room with air conditioning facilities, flat screen colour television (TV), coffee marking facilities and room service then that will be the price implemented by the company (George, 2011:308). Value based approach naturally attracts customers because they have confidence in the offering and less effort is required to find good price for the perceived quality (Choi & Gray, 2011:62).

The prices are reasonable for the quality offered; they are neither high nor low (George, 2011:308). The effectiveness of this pricing approach depends on efficient marketing and operations of the business to keep costs and prices low. Furthermore, Ferrell and Hartline, 2008:241) ascertain that businesses that adopt this approach are consistent in their pricing approach and infrequently make use of discounts and sales promotion. Graded hotels with constant demand can apply this approach whereby prices can be set for the rest of the financial year. Although pricing accommodation establishments is complex, managers can adopt more than one pricing approach in an optimal pricing strategy.

Different pricing strategies applicable to accommodation establishments are discussed in following the section.

2.4.2 Pricing strategies

This section will discuss different pricing strategies that accommodation establishments in the town of Victoria Falls can implement. These are premium pricing, price skimming, penetration pricing, product bundle pricing, discriminatory pricing, tactical pricing and promotional pricing.

2.4.2.1 *Premium pricing*

Rao (2009:32) states that premium pricing is a strategy used by larger businesses that have a heterogeneous demand for several versions of the same product; each version satisfies different market segments and the highest quality products are given the highest prices. In the

accommodation business, many establishments have different room categories. For example, the Victoria Falls Hotel has standard rooms, central deluxe rooms, stable signature wing rooms, honeymoon suites, deluxe suites, executive suites, Bantoka suites, a royal suite and a presidential suite. Each room category is priced differently, based on facilities, room size and views (Victoria Falls Hotel, 2018a). George (2011:308) clarifies that even though many establishments have different categories, premium pricing is commonly used by luxurious establishments that position themselves at the upper end of market and target elite clients who are price insensitive. Rao (2009:32) adds that clients are willing to pay premium pricing for the quality and value-added features excluded from standard products.

Kumar (2007:54) asserts that the price is usually higher to create a perception of high quality. George (2011:308) concurs with this statement by stating that the price charged matches the value and quality of the service. According to Saxena (2008:335), all organisations that use the premium strategy maintain high quality throughout all departments, complimented by knowledgeable staff, the latest technology and an excellent information system. Lodges and hotels with a 5-star grading and an excellent reputation for service excellence, and luxury accommodation like the Victoria Falls Hotel, Stanley and Livingstone Hotel, Victoria Falls River Lodge and Old Drift Lodge, can use this pricing strategy. Despite luxurious upmarket hotels, establishments that do not prioritise competitive pricing and gain market share can implement premium pricing (Rao, 2009:32). Premium pricing is beneficial in a number of ways if implemented successfully. According to Bragg (2018), the advantages of using premium pricing include high profit margins and creating tougher barriers to entry for competitors. On the other, hand there are high costs incurred through marketing and branding yet limited sales volume.

2.4.2.2 *Price skimming*

Skimming pricing refers to charging high prices for a product when it is first introduced to the market then gradually lowering the price afterwards (Dutta & Saha, 2015:70). The highest possible prices are charged during the introduction stage to capitalize on early users, also known as early adopters (Drury, 2005:194). The main goal of this pricing strategy is to generate as much revenue as possible while demand for the service is high and there is no competition in the market. In addition, clients are benefit-sensitive rather than price-sensitive; they are looking for a high quality and better performing product or service (Crane, 2013:21). The skimming pricing strategy is recommended for unique products or services for which people are willing to pay extra (Analoui & Karami, 2003:254). The price is charged for a short period until the saturation stage is reached, then reduced to attract other customers who are likely to be price-sensitive (Fyall & Garrod, 2005:113).

As the product moves to another stage of its product life cycle, a different pricing strategy can be implemented. Dutta and Saha (2015:70) advise businesses to use this strategy for products/services that have a short life cycle or are likely to face fierce competition at some point in future. Analoui and Karami (2003:254) argue that skimming recovers research, development and marketing costs in a short space of time because the sale price is higher than the total cost. This advantage might attract competitors to copy the service. The competitors are likely to charge lower prices and skimming will not be beneficial as intended.

2.4.2.3 Penetration pricing

According to Dutta and Saha (2015:70), penetration pricing is also known as aggressive pricing. Hirschey (2009:565) describes penetration pricing as a strategy of charging lower prices than the perceived value of the service or product during the introduction stage, to penetrate the market, create a new market or to gain or increased market share in a new market or existing market. Interestingly, Rajagopal (2013:7) refers to the lower price as an artificial price used to push the product in the market. Fyall and Garrod (2005:113) argue that penetration pricing is used in the market where competition is very high and the product lacks unique features. In support of this notion, Hurd, Barcelona and Meldrum (2008:181) opine that penetration pricing attracts new users of the service/product as well as competitors' customers. Stiving (2011:19) concurs with this school of thought by indicating that penetration pricing speeds up the growth of a newly forming market.

Rajagopal (2013:7) is of a different view, stating that penetration discourages competitors from entering the market. However, according to George (2011:309), if penetration pricing is successfully implemented firms enjoy repeat business and marketing through word of mouth. On the contrary, Nagle, Hogan and Zale (2016:48) report that penetration pricing can only be successful when a large share of the market is willing to switch suppliers in response to lower prices. Charging a lower price for services does not mean all customers will purchase the product but rather, lower prices undermine the brand's appeal in the long term.

According to George (2011:309), penetration pricing is appropriate for businesses that are more concerned with gaining high market share rather than fast recovery production costs. Once the desired market share is reached, prices can be increased based on other competitive pricing strategies. Dutta and Saha (2015:62) have the view that businesses that choose to implement this strategy should expect challenges such as some customers perceiving the product or service to be of sub-standard quality.

The demand is likely to be high, therefore businesses should be prepared to meet this demand. Saxena (2008:335) explains that this strategy delivers results in different scenarios such as when the growing market is large, customers are not highly loyal to the company, competition in the market is intensive, businesses use it as an entry strategy and lastly, where the price-quality concept is not emphasised.

Besides the scenarios for penetration, Dutta and Saha (2015:70) share the same sentiment as Saxena (2008:335), which is proved by their findings that penetration pricing is suitable for markets that are very price-sensitive, whose demand is elastic and it is believed that low prices stimulate market growth. In addition, this strategy is appropriate when there are only a few high income earners in the market.

2.4.2.4 *Product bundle pricing*

This pricing strategy comprises putting together several services to form a package and sell that package at a lower price rather than selling each service separately (Fyall & Garrod, 2005:113). The strategy is used to sell products that are in high supply (Business Dictionary, 2018a). The main advantage of this strategy is that customers make use of other services they might not be keen to make use of should they be sold separately (George, 2011:310). Product bundle pricing gives business a platform to market its less known products or services, therefore making demand for it as well. On the other hand, products/services sold in package might be perceived as inferior by customers (Verma, 2008:54).

Accommodation establishments can sell packages that include accommodation, all meals, return airport shuttles, activities and entertainment. Victoria Falls Hotel offers a luxury package which comprises a 3-night stay in stable wing rooms with a complimentary mini bar, afternoon tea and cake, evening cocktails, a massage voucher, sunset cruise and helicopter flight exclusive of $10.00 park fees at $1233.00 (Victoria Falls Hotel, 2018b). Ilala Lodge also offers a 2-night getaway, among other packages. This package consists of two nights' accommodation in a standard room, breakfast daily, one dinner, return transfers from Victoria Falls Airport and Ra-ikane cruise (Ilala Lodge, 2018).

2.4.2.5 *Discriminatory pricing*

According to Arnold (2008:498), discriminatory pricing is a strategy that takes into consideration different groups of customers and demand trends. Kumar and Sharma (1998:265) report that with price discrimination, consumers are charged different prices for an identical product or service while the price difference is not associated with production cost or

value. George (2011:310) states that this strategy is common in the accommodation industry where a different price for the same service is charged, depending on time of booking and type of clients. Phlips (1983:11) recommends discriminatory prices for business that have identified different market segments with different price elasticities.

Arnold (2008:498) identified three types of price discrimination, which are perfect price discrimination, second degree price discrimination and third degree price discrimination. Phlips (1983:11) describes perfect discrimination as a pricing structure that takes place when each customer is charged the highest price he or she is willing to pay. In second degree discrimination, Phlips (1983:11) illustrates that different prices are charged for different quantities, for example, discounts on bulk purchases.

This pricing structure can work well for establishments that target groups. The company can choose to give 10% discount for every 20 rooms. Arnold (2008:498) explains that the third degree price discrimination implies charging different prices to different customers or market segments. Some hotels in Victoria Falls use this strategy, whereby the price for the same service for domestic, regional and international customers is different. The same services can have different prices in peak and off-peak seasons. In such instances, high prices are charged in peak season and low prices charged during off-peak season. Similarly, this pricing strategy can be used for hotels that target weekend leisure tourists to determine the week rate and weekend rate.

2.4.2.6　Tactical pricing

Tactical pricing is "the ongoing stream of pricing decisions the firm makes on a daily basis" (Capon & Go, 2017:440). According to Business Dictionary (2018b), tactical pricing is price variation for a short period which is implemented to gain market share or prevent competitors from entering the market. Joseph (2007) reports that it takes into account the temporary market dynamics, which include effects of competition and short-term market dynamics. Balaji (2002:99) indicated that this strategy could involve one or more pricing strategies. For example, temporary price cutting or increasing pricing to grow sales and gain new customers. Fyall and Garrod (2005:114) agree with this school of thought, by asserting that tactical pricing incorporates different techniques such as periodic price deductions, early booking discounts and group bookings discounts. According to George (2011:312), price can be decided based on the amount of business the tour operator, travel agent or any other organisation brings, whereby either discounts or a special tour operator rate is offered. A special tour operator rate is a marked down price which allows tour operators to add a mark-up when they sell packages to their direct clients and travel agents (Chibili, 2016:127). The rate differs from one tour

operator to another. It depends on the relationship between the tour operator and the hotel, the amount of business the operator brings and the ability to negotiate. Almost all the hotels that use tour operators as their intermediaries implement this pricing strategy. Additionally, the business can decide on the corporate rate for organisations that book many rooms either for a single period or throughout the year. Some organisations have to book a certain number of room nights to qualify for this rate while some can be given a free room for a certain number of rooms booked (George, 2011:312).

There are different tactical pricing techniques which a business can implement other than discounts. These were listed by Balaji (2002:99) as differential or flexible pricing, discrete pricing, diversionary pricing, guarantee pricing, high price maintenance pricing, loss leader pricing, offset pricing and price lining. According to Chowhan (2015:33), flexible pricing is used to reduce the perishability of the service and to iron out demand fluctuations. The price is charged according to the ability of the customer to pay and room preference (Balaji, 2002:99). Balaji further described other techniques and explained their implications. Discrete pricing is described as setting prices at a level that is within the competence of the decision-making unit. Diversionary pricing occurs when low prices are charged to attract more customers, while offset pricing also charges low prices but all "extras" are highly priced. Guarantee pricing is applicable when the service offered or room category is guaranteed, which makes it different from high maintenance pricing that is commonly used in markets where customers associate price with service quality. Balaji (2002:100) recommended implementing loss leader pricing in markets with unsophisticated customers who are dissatisfied with existing suppliers, where price is competitive, because the loss leader pricing strategy charges a reduced price for new services. Lastly, with price lining the change in quality, quantity and level of service determines the price of the service.

2.4.2.7   *Promotional pricing*

A promotional pricing strategy entails temporary price deductions on certain services to promote bookings of other services (George, 2011:312). According to Livesey (1976:79), it is important to make decisions on the frequency and timing of promotions when implementing the promotional pricing strategy. This is because it might destroy brand loyalty, especially when customers become extremely price conscious. Yeshin (2006:143) found that this strategy drew new customers with the potential to spend significantly in the long run. Furthermore, it increased the spending of existing customers, which in turn increased demand in the short term.

George (2011:312) states that hotels apply promotional pricing through different techniques such as discounts and special offers which can be accompanied by other promotional techniques. According to Blythe (2009:185), discounts can be applied immediately to increase the occupancy rate during a period of low demand. Special offers are common in many hotels to encourage guests to book a certain number of nights, thereby getting extra nights on a complementary basis. Some offers allow children of a certain age to stay for free while some charge half price for brides and offer other complimentary activities (George, 2011:312). Ilala Lodge is one of the hotels in Victoria Falls that practises this pricing strategy. Special offers include a 20% discount for late bookings, breakfast daily, dinner at the Palm restaurant and a Ra-ikane boat cruise for a 3-night stay (Ilala Lodge, 2018). Other special offers include loyalty incentives, competitions and prizes, free gifts and premiums (George, 2011:376). An establishment may apply more than one pricing strategy.

2.4.3 Accommodation grading and price factor

Accommodation grading is a commercial scheme that assesses the quality of facilities and services of a tourist accommodation establishment based on predetermined standards which aim to inform tourists of what to expect (Beaver, 2005:6). The quality is rated from 1- to 5-star and the number of stars reflects the degree of quality. For example, a 1-star establishment offers limited facilities and the service is of a lower standard than a 5-star establishment.

Rodgers (2001:23) asserts that one star indicates acceptable quality while five stars represent exceptional quality. In other words, the higher the star grading the higher the overall quality of facilities, cleanliness, hospitality, food and service. According to Sturman *et al.* (2011:259), the level of quality of an establishment determines the price. Generally, 5-star establishments are more expensive than 1-star establishments.

2.5 Currency regime

It is impossible to talk about pricing without mentioning the currency tagged on the price. The choice of currency influences growth, competitiveness and economic contribution of the business (Patel, Patel & Patel, 2014:53). Currency is described as an accepted form of money that includes paper notes and coins that the government issues and circulates in an economy (Stoute, 2015:319). Currencies are used to facilitate sale, purchase or trade of goods and services between parties, thus forming the basis of trade (Investopedia, 2017). For example, if a guest wants to stay at Victoria Falls Hotel, he has to pay a fee in exchange for the service.

Businesses usually adopt the currency endorsed in a country's monetary policy. Despite that, government has the final say on monetary policy. It is vital to decide the policy favourable for economic growth through the participation of all sectors of the economy. In Zimbabwe, businesses sell goods and services in US$ or bond notes. This was only applicable to the period in which this study was conducted.

The research conducted by Noko (2011:340) reveals that Zimbabwe has been changing monetary policies and currencies since 1965. There are three episodes recorded during 1965 to 2009 and there is a possibility of having a fourth one. Every episode of currency change is important as it defines sovereignty and economic growth. Muzapu and Sibanda (2016:56) emphasise that the last episode revived the economy but the country is still operating under a hostile environment. The effects of the current currency are discussed later in this chapter but it is important to note that problems of cash shortages, which have affected many businesses, including accommodation, are attributed to currency choice and other economic and political factors. Looking at previous events that influenced the decision to change currency, there is high probability that the country might adopt a new currency from another country as her official currency or reinstate the ZW$.

According to Noko (2011:340), the first episode of currency change took place when Ian Smith came in power in 1965; Rhodesian Pound was replaced with the Rhodesian Dollar which was later replaced by ZW$ under the leadership of Robert Mugabe in 1980. Kabote *et al.* (2013:33) stated that the third episode came in effect in 2009 when the ZW$ was replaced by the multi-currency system. Multi-currency is discussed in detail later in this chapter. The reason for currency change is imputed to economic and political instability brought by a series of events which quickly deteriorated the ZW$ (Nkomazana & Niyimbanira, 2014:69). The ZW$ decreased in value by more than 99.99% between 2007 and 2008, the process described by Makochekanwa (2009:4) as hyperinflation.

2.5.1 Hyperinflation

Hanke (2008:2) defines hyperinflation as a rate of inflation that exceeds 50% per month while Asante (2012:15) reports that it is caused by an extremely rapid growth in the supply of paper money. Makochekanwa (2009:4) argues that if inflation is out of control, prices increase rapidly with loss in currency value. According to Amadeo (2018), hyperinflation occurs when prices of goods and services rise by more than 50% in a month. In addition, Asante (2012:15) points out that hyperinflation takes place when the central bank prints large quantities of money to pay excessive government expenditures. This was the case with Zimbabwe in 2008 (Hanke,

2008:2). By 2003, the cost of issuing the ZW$ in the form of regular notes and coins became greater than the face value.

The statistics recorded by the ZTA research department from 2003 to 2008 show that during the same period, tourist arrivals and room occupancy was higher than the post-hyperinflation period. The foreign currency had more value than the local currency. Therefore, both regional and international tourists were at an advantage to spend a holiday in Zimbabwe. Although hyperinflation promoted the tourism industry, Asante (2012:18) opines that it destroyed the banking system of Zimbabwe. This point can be explained by a scenario in which a borrower would pay back a loan in an amount which is far less than its value was at the time of borrowing. As a result, investors were scared away, resulting in many people losing their jobs, a drop in commercial activities and currency devaluation. Hanke (2008:2) reports that this caused many Zimbabwean citizens to emigrate. Mpofu and Chitura (2015:1) opine that the migration mainly affected skilled and experienced workers, who emigrated to the neighbouring countries of South Africa and Zambia. The hospitality and accommodation industry lost skilled professionals and was badly affected, as were other industries.

The first step the government took to solve hyperinflation was to issue the ZW$ on low quality paper in the form of time-limited bearer cheques (Noko, 2011:342). The bearer cheques devalued on a daily basis and it is clear the government made this decision without consulting different economic sectors and businesses. Since this money was not recognised internationally, with no exchange rate, the accommodation industry and other businesses accepted all forms of foreign currency and so did the general public, a situation described by Chitambara (2009) as unofficial dollarisation. It can be concluded that during this era the choice of currency was influenced by the government, businesses and the general public. In other words, the preferred currency of accommodation establishments was multi-currency. The bearer cheques were in circulation until the Government of National Unity (GNU) was formed in 2009. This government quashed the tyranny of hyperinflation, re-established monetary credibility, increased the budget and enhanced a shift in the monetary policy by officially dollarising the economy with multi-currency (Noko, 2011:340; Sikwila, 2013:399). Dollarisation is discussed in detail later in this chapter.

2.5.2 Multi-currency regime

Nkomazana and Niyimbanira (2014:70) report that at the beginning of 2008 a number of retail shops started legally accepting various foreign currencies (multi-currency) for transactions. According to Makochekanwa (2009:5), a multi-currency system is when multiple currencies

are used in an economy to facilitate buying and selling. The system enables all transactions to be conducted using hard foreign currency and payment of tax is compulsory in foreign exchange (Kramarenko *et al.*, 2010:3).

Under normal circumstances, one hard currency is used to replace the country's official currency to restore economic stability but for Zimbabwe it was a different case. As indicated earlier, the adoption of multi-currency was started by the general public and private businesses, which influenced the government to adopt it officially in 2009. Before the official adoption, the Reserve Bank of Zimbabwe licensed certain businesses to transact with multicurrency under an initiative called Foreign Exchange Licensed Warehouses and Retail Shops (Foliwars). The 18-month trial was effective from end of 2008 until 31 March 2010 (Buigut, 2015:691).

The multi-currency system was officially established in February 2009, soon after the formation of the Inclusive Government whose aim was to rebuild the economy. With such a vision, the Short-Term Economic Recovery Programme (STERP) was implemented and the government consented to foreign currency as legal tender (Noko, 2011:348). The conclusion can be drawn that the multi-currency system was preferred by both business and the government.

Five currencies were given official status at the beginning, however, the US$ became the principal currency (Kramarenko *et al.*, 2010:3). These currencies are the South African Rand (ZAR), Botswana Pula (BWP), euro (€), the British Pound Sterling (£) and United States Dollar (US$). The Australian Dollar (AU$), Chinese Yuan (¥), Indian Rupee (₹) and Japanese Yen (JP¥) were later added to the multi-currency basket (Nkomazana & Niyimbanira, 2014:71). These currencies are prone to change and the multi-currency regime is viewed as a temporary measure to restore price stability and enhance economic growth. Nevertheless, nobody knows how long this regime will last and which monetary policy will replace it (Buigut, 2015:690). The Chronicle (2016) reports that in 2016 the multi-currency system became dysfunctional since the economy was solely trading in US$, which stimulated cash shortages but Gwanyanya (2016) encouraged the government to continue with this system to keep hyperinflation under control.

Makochekanwa (2009:5) maintains that the adoption of multi-currency succeeded in halting hyperinflation. The monthly inflation rates dropped from 49 billion % to 1%, with negative rates experienced in some months. Kramarenko *et al.* (2010:3) reported that the monetisation of the economy and financial re-intermediation was fostered to ensure fiscal discipline. These results are in line with Hanke (2008:4) who suggested that Zimbabwe needed a new monetary regime to stop hyperinflation. Kramarenko *et al.* (2010:3) added that the multi-currency regime brought

greater transparency to pricing. Economic recovery was also noticed and the GDP grew with 33% from 4.41 billion in 2009 to 5.88 billion in 2012.

As stated earlier, multi-currency consists of different currencies but the US$ became the official currency in which the national budget is presented and in which wages, prices of goods and services are quoted (Kramarenko *et al.* (2010:3). Sikwila (2013:398) describes this process, whereby any foreign currency is used as legal tender instead of domestic currency, as dollarisation.

2.5.3   Dollarisation

According to Kabote *et al.* (2013:32), dollarisation is when a country outside of the United States of America adopts US$ as its official currency and legal tender. It can be likened to randification or eurorisation whereby ZAR or euro is used as the main currency in trading and holding assets in a country outside of South Africa or Europe (Nkomazana & Niyimbanira, 2014:72). Kabote *et al.* (2013:32) add that dollarisation can be described as currency and asset substitution. Hira and Dean (2004:462) postulate that dollarisation is equated to a fixed exchange rate system, which entails abandoning the domestic currency for transacting purposes due to benefits, which include price prediction, attracting long-term investment, fostering international trade, enhancing domestic monetary growth and reducing transaction cost and currency risk. Schuler (2005:120) states that the meaning of dollarisation is variable, it can mean anything from the illegal use of foreign currency along domestic currency to the official approval of foreign currency as the main currency. Dollarisation is not just an act but a process which a country undergoes until it is fully dollarised (Schuler, 2005:124). There are three types of dollarisation according to Hanke (2008:8), which are unofficial, semi-official and official dollarisation.

2.5.3.1   *Unofficial dollarisation*

According to Chitambara (2009), unofficial dollarisation is well known as *de facto* dollarisation and resembles liability, asset and currency substitution. Hanke (2008:8) added that many people keep their monetary wealth in assets denominated in foreign currency. Unofficial dollarisation takes place when the general public illegally adopts US$ in a spontaneous way. Foreign currency is dominant in the black market and circulates within the economy without approval by law such that those found in possession are arrested (Chitambara, 2009). Unofficial dollarisation takes on a variety of forms, which include holding of foreign bonds and other non-monetary assets, domestic or foreign currency deposits abroad and foreign notes in

wallets, under the mattress and in safe deposit boxes (Bogetic, 2000:181). Zimbabwe's economy experienced unofficial dollarisation for the nine years between 2000 and 2009 (Chitambara, 2009; Kabote *et al.*, 2013:32).

2.5.3.2   Semi-official dollarisation

Semi-official dollarisation is also called the bi-monetary system (Hanke 2008:8). It takes place when foreign currency legally circulates within the economy alongside domestic currency. Foreign currency is used as secondary legal tender (Kabote *et al.*, 2013:32). Hanke (2008:8) adds that foreign currency can dominate bank deposits but plays a secondary role to domestic currency in buying groceries, paying wages, taxes and other daily expenses. However, the domestic central bank has an independent monetary policy. For example, Swaziland, Lesotho and Namibia allow ZAR to circulate as secondary legal tender alongside Swazi Lilangeni, Lesotho Loti and Namibian Dollar.

Kabote *et al.* (2013:32) reports that prices of goods and services are tagged in either foreign or domestic currency. Monetary institutions license certain shops to conduct business using foreign currency. This was the case of Zimbabwe at the end on 2008 when RBZ licensed certain warehouses and shops for 18 months under FOLIWARS (Buigut, 2015:691). Among the licensed businesses, some were from the hospitality industry (Kabote *et al.,* 2013:32).

2.5.3.3   Official dollarisation

Official dollarisation is referred to as de jure or full dollarisation (Hanke, 2008:8; Kabote *et al.*, 2013:33). Once full dollarisation is adopted it is permanent or nearly permanent and it is difficult to reverse (Nkomazana & Niyimbanira, 2014:70). Out of 100 cases recorded by Schuler (2005:121), 32 dependent and independent countries have officially dollarised (Hanke, 2008:13). Schuler (2005:124) concluded that some countries have adopted their domestic currency back as a legal tender and enjoying independent monetary policy, however, performing worse in terms of monetary stability than they would have by remaining dollarised. On the other hand, Mandeya (2017:52) noted that the adoption of the domestic currency is determined by market participants after reaching a consensus, otherwise, dollarisation is generally irreversible and continues after macroeconomic stability has been established. The irreversibility is influenced by the addiction to foreign currency by the general public, exchange rate costs, and reputation of currencies involved.

Dollarisation implies that foreign currency is used by private companies and government to make payments (Hanke, 2008:8). It occurs when foreign currency or currencies have

predominant status as legal tender and the domestic currency is withdrawn from circulation in the economy (Schuler, 2005:120; Hanke, 2008:8). However, in some cases, domestic currency is confined to a secondary role and can be issued in coins of small value (Nkomazana & Niyimbanira, 2014:70). Bogetic (2000:181) added that official dollarisation has more than one form. For example, the number of foreign currencies allowed to circulate as full legal tender differs from one country to another and the value relationship between the domestic and foreign currency can be different.

2.6 The history of dollarisation and effects on accommodation sector

Dollarisation is an undisputable policy option to high inflation, monetary and exchange rate instability that is faced by many emerging economies (Schuler (2005:121). Nkomazana and Niyimbanira (2014:70) pointed out that dollarisation has been adopted by many countries with economic, social and political instability. However, some countries adopted their dollarisation policy from former colonisers.

Schuler (2005:120) states that dollarisation started as early as 1700. Saint Helena, Morocco, Pitcairn Islands, Puerto Rico, Kenya, Panama, Cuba and Indonesia where first few countries to be dollarised. Montenegro, Comoros, Kosovo, East Timor, Ecuador and El Salvador were dollarised from the 1990s going onwards. Sikwila (2013:398) added that Zimbabwe is the latest country to officially dollarise. However, there are also several African countries that implemented dollarisation prior to Zimbabwe (Sikwila, 2013:398). These countries include Ghana, Kenya, Botswana, Cameroon, Uganda, Swaziland, Angola Tanzania, Lesotho and Namibia, Nigeria, Somalia, Siera Leon (Schuler, 2005:122). Figure 2.1 shows a table with some countries that experienced episodes of dollarisation.

Schuler (2005:121) compiled 100 global cases of dollarisation. The author added that only a few recent ones received much attention and some cases are of little interest due to the size of the country in terms of population and the rudimentary financial system. The literature in the following section will cover the origins and effects of dollarisation in one country in Europe (Cuba), another one in Africa (Namibia), and lastly Zimbabwe. These are countries whose tourism industry and accommodation sector were affected by dollarisation. This will give the researcher a broad view of impacts of dollarisation from a global point of view.

2.6.1 Cuba dollarisation

According to Salvatore *et al.* (2003:437) dollarisation of Cuba was influenced by political and economical factors. Kildegaard and Fernández (1999:29) highlighted that dollarisation of the Cuban economy can be traced back to the early years of the leadership of Fidel Castro when a monopoly over foreign trade was established. This decision fuelled illegal foreign trade of US$ and Cuban peso in the black market. The exhaustion of gold reserves in the country and illegal exchange rates exacerbated the economic conditions, resulting in high inflation (Herrera & Nakatani, 2005:120; Kildegaard & Fernández, 1999:29). The economy was on the brink of collapsing, with citizens earning an average salary of US$10.00 while 66% of the salary was spent on food (Ritter & Rowe, 2002:121). As the situation worsens, the government was fostered to come up with revolutionary political and economic reforms to revive the economy, encourage foreign investments and generate foreign currency through tourism (Taylor Jr & McGlynn, 2008:406).

SELECTED HISTORICAL EPISODES OF DOLLARIZATION

American Samoa	?–present	Dominica	1938–1951
Albania°	1912–1925	Dominican Republic°	1899–1947
Andorra°	?–present	East Timor°	2000–present
Anguilla	1938–1951	Ecuador°	2000–present
Antigua and Barbuda	1938–1951	Egypt°	1856–1898
Bahrain	1920–1965	Equatorial Guinea	by 1905–1969
Bhutan°	1968–1974	El Salvador°	2001–present
			1800s–1969
Botswana°	1950–1976	Eritrea	~1900–1952
			1962–1993
British Indian			
Ocean Territory	1919–present	Gambia	1902–1913
British Virgin Islands	1973–present	Ghana	1896–1913
Brunei°	1945–1951	Gibraltar	1888–1927
Cameroon	By 1910–1916	Grenada	1938–1951
Cayman Islands	?–1972	Guam	?–present
Christmas Island	?–present	Honduras°	1912–1950
Cocos Islands	?–present	Indonesia	1794–1807
Cook Islands	1969–1987?	Iraq	1917–1932
	1995–present		
Comoros	1885–1926	Israel	1917–1927
Cuba°	1902–1934	Jordan	1917–1927
Cyprus	1880s–1914	Kenya	1896–1898
Cyprus, Northern°	1974–present	Kiribati°	1930s–present
Kosovo	1999–present	Namibia°	1906–1914
Kuwait	1942–1961		1962–1993
Lesotho°	1921–1980	Nauru°	1968–present
Liechtenstein°	?–present	Nepal°	1937–1945
Liberia°	1880s–1985	Nigeria	1891–1913
Libya	1912–1943	Niue	1988–present
Madagascar°	1886–1926	Norfolk Island	?–present
Malaysia	1849–1888	Northern Mariana Islands	?–present
	1909–1937	Oman°	1948–1970
Malta	1903–1939	Palau°	?–present
Marshall Islands°	1961–present	Panama°	1903–present
Mayotte	1976–1998	Papua New Guinea	1916–1975
Micronesia°	?–present	Peru°	1887–1914
Monaco°	1865–present	Pitcairn Islands	1800s–present
Montenegro	1999–present	Puerto Rico	1899–present
Montserrat	1938–1951	Qatar	1949–1966
Morocco	1897–1907	Saint Helena	late 1700s–1976
	1800s–1969	Saint Kitts and Nevis	1938–1951
		Saint Lucia	1938–1951

Figure 2.1: Selected episodes of dollarisation (Schuler, 2005:121)

2.6.1.1 Effects of dollarisation on Cuban tourism

After the dollarisation of the Cuban economy, the tourism industry was among the fastest growing sectors of the economy and became the Island's primary source of foreign currency (Eckstein, 2004:317). Economic development and growth were inevitable after new policies that promote both domestic and international tourism were put in place. The growth of 400% in import earnings was recorded (Enrique 2010:102). The tourism sector was identified among the shining stars of competitiveness of Cuba's economy by (Monreal, 2007). Castillo and Gaspar (2002) described the sector as the most dynamic and lucrative with investments accounting to for a quarter. Thomas, Kitterlin-Lynch & Lorenzo Del Valle (2015:9) noted that the tourism industry is the second largest source of foreign currency. The following sections discuss both positive and negative impacts of dollarisation on the Cuban tourism industry and accommodation establishments.

2.6.1.2 Growth in international tourists' arrivals

This section discusses the growth of international tourists in Cuba during the dollarisation period (1989–2004). International tourist arrivals increased by 1.53 million from 1989 to 2000. In 1989, the Island generated $168 million and in 2000, $1.9 billion was recorded. The year 2000 was unique as it registered stagnant growth in tourist arrivals. In the following year, the industry was tremendously affected by the 11th of September terrorist attack against USA. Tourism gross revenue declined to $1.8 million in 2001-2002. A slight and sharp increase to $2.2 billion in 2004 was recorded. The tourism gross revenue of 2004 was thirteen times that of 1989 (Mesa-Lago, 2005). The 9/11 political impact lasted for a short period of time as 2004 recorded 2 million tourists. This was the greatest number to be ever recorded since 1989 resembling tourism industry growth by 7 times (Mesa-Lago, 2005). The growth in international tourists resulted in increased room occupancy in accommodation establishments. According to Aagesen and Paluch (2001:49), the Island became the most prevalent tourist destination in the Caribbean, recording approximately 30% of all tourist arrivals in the region. Tourist arrival trends had a direct impact on the country's gross revenue. According to Bragg (2018), gross revenue is the total amount generated by the country or business before any deductions.

The main source markets visiting the Island country were identified as Canada, UK, Spain, Italy, Germany, France and Mexico (Sharpley & Knight, 2009:249). These tourists enjoy a wide variety of tourism offerings which included ecotourism, health tourism, sex tourism, cultural and heritage tourism, business tourism, special interest tourism, sea, sand and sun (Spencer,

2016:49). The following section discusses infrastructure development linked to dollarisation in Cuba.

2.6.1.3 Hotels and infrastructure development

In support of tourism growth, the Cuban government invested \$3.5 billion towards infrastructure development such as airports and roads to connect key tourist centres and attractions. New hotels, accommodations and facilities were built to meet the needs, desires, expectations and the growing demand for services (Castillo & Gaspar, 2002; Sharpley & Knight, 2009:246). Sol Melia Spanis hotel group is one of the international corporations that built new hotels on the island. At the time the research was conducted, the organisation was managing more than 20 hotels (Sharpley & Knight, 2009:250). More than 25 joint venture companies including international organisations with French, German and European origin such as Accor, LTI, Mirama, Riu, SuperClubs, and Sandals also contributed towards the development of many other hotels and accommodation on the Island (Taylor Jr & McGlynn, 2008:406). A report by Thomas *et al.* (2015:9) shows that Cuba has 334 beach hotels; 23% of the total hotels are located in the cities and a small number (2%) is in the natural reserves. The majority of establishments (two-thirds) fall in the 4-5-star category. Also, private accommodations well known as casas particulares have a significant presence. In 2002, the total number of rooms offered on the Island was 64,080. The government has a plan to increase room capacity to 70,000 by 2020 (Castillo & Gaspar, 2002). A total number of 207,200 rooms is the planned maximum capacity for future developments (Font & Arias, 2008:317).

Menchaca (2019) reported that the Cuban government continues to uphold the commitment to build and develop hotels around the country. With the target of adding 8,500 rooms in the next new few years, Maia Ancon hotel with 1,514 rooms is almost complete and three five-star hotels in the town of Trinidad will be expanded. The reporter added that two hotels in the town of Santiago de Cuba will open before the end of 2019.Skills development and employment creation is discussed in the following section.

2.6.1.1.3 Skill development and employment creation

The rapid growth in the tourism sector has enhanced massive skills development and employment creation in Cuba (Sharpley & Knight, 2009:248). The employment varies from porters, receptionists, hotel managers, chefs, waitresses, spa managers, events and conference managers, sommeliers, public relations managers, human resources managers, and housekeeping, to mention a few (Oxbridge Academy, 2015). According to Taylor Jr & McGlynn (2008:408) most jobs emerged in hotels, museums, nightclubs, airports, tourist

shops, travel agencies and entertainment centres; also, in organisations providing services to the tourism and hospitality sector such as banks, the information technology industry and agriculture to mention a few. Self-employment also emerged and led to the growth of micro businesses like beauty shops, video producing, automotive repair shops, opening of B&B establishments. In 2007, tourism employment was estimated to be 587,000 accounting for 11% of the country's total employment. Castillo and Gaspar (2002) highlight that Cuba's tourism and hospitality workforce is well educated and trained to deliver excellent services. The government established a network of training centres throughout the country known as FORMATUR. These centres qualify approximately 16,000 graduates ready to work in different fields of the industry each year (Castillo & Gaspar, 2002). It is clearly evident that the country's tourism industry and accommodation offer excellent service.

2.6.1.4 De-dollarisation of Cuban economy

In 2003, the Cuban government prohibited the use of the US$ as a legal tender. From then on, the convertible peso (CUC) was established as an official currency for all the businesses that formely accepted the US$ (González-Corzo, 2007:315). This was the end of the dual monetary system which featured several exchange rates. According to Fernández (2008), the country's leadership asserted that the banning of the US$ was a gesture of independence aiming at separating the economy from the currency of her revolution enemy (USA). The use of CUC affected the tourism industry, evident in the decline in number of international tourists especially the US market. The exchange rates were unfavourable, while accommodation and other tourists products became relatively expensive. Sharpley and Knight (2009:252) state that the cost of spending a holiday in Cuba hiked up without a proportionate rise in quality and travel experience, while the destination gained negative publicity of poor service quality. Tourists from the Island's source markets were opting for alternative destinations such as the Dominican Republic due to lower prices.

It is significant that at the beginning of currency related changes presented in 2003, the Cuban government did not anticipate that these measures would adversely influence the tourism industry and accommodation in light of the fact that most of guests originated from the Europe, Canada, Latin America and the Caribbean. A concise review of late indicates that there has been a prominent deceleration in this key segment of the economy since 2003 (González-Corzo, 2007:315). The US share of the market particularly decreased in number after the US government passed a law to prohibit leisure travel to Cuba both by air and water (Menchaca, 2019).

According to Sharpley and Knight (2009:252), the ongoing decline in tourist arrivals has fostered the Cuban Ministry of tourism to contribute US$185 million towards reviving the sector, including the redesigning of existing accommodation establishments and development of new facilities for example, marinas. Figure 2.2 presents the fundamental indicators of the travel industry during the period of 2003–2006. As the table shows, growth of 7.5% in 2004 and 13.2% in 2005, international tourists arrivals diminished by 4.2% in 2006. Additionally, after encountering a continuous recuperation during the 2003–2005 period, net tourism incomes diminished strikingly in 2006. Despite de-dollarisation and banning of US citizen, Cuba's tourism sector continues to thrive in generating foreign currency. In 2018, the sector generated gross revenue of US$ 3.5 billion (Menchaca, 2019).   The following section discusses dollarisation in Namibia

Year	Arrivals (thousands)	% Change	Gross Tourism Revenues (million pesos)	% Change
2003	1,906.0	13.0%	1,999.2	13.0%
2004	2,049.0	7.5%	2,113.6	5.7%
2005	2,319.0	13.2%	2,398.9	13.5%
2006	2,221.0	-4.2%	2,403.8	0.2%
Average	2,196.3	5.5%	2,228.9	8.1%

Figure 2.2: Cuba: International arrivals and Gross Tourism Revenues 2003-2006 (González-Corzo, 2007:326)

2.6.2 Namibia dollarisation

According to Schuler (2000), the Southern Africa country of Namibia is semi-dollarised. The country uses the Namibian Dollar alongside the South African Rand. Mabhuku (2009:9) posit that unlike other countries that dollarised to revive their economies, Namibia's dollarisation dates back to the colonial era when it was South Africa's protectorate. Thus, it used South Africa's currency before her independence. After her independence, Namibia developed her own currency (the Namibian Dollar) which continues to be used as an official currency alongside the South African Rand. Nielsen *et al*. (2005:711) postulate that the country's semi-dollarisation can only affect the price of accommodation establishments, tourism industry growth and profitability in instances where the South African Rand is unstable and losing value. Antunes Do Carmo (2018:94) states other factors which affect tourism and growth of

accommodation establishments in Namibia, that is, drought and floods. The following section discusses Namibia's tourism development, tourism growth trends, employment generation and skills development improved since the implementation of semi-dollarisation after the country got her independence in 1990.

2.6.2.1 Tourism development in Namibia

Eita and Jordaan (2014:391) posit that pre-independence, the Namibian economy heavily depended on mining, fishing and agriculture for economic growth and development. However, the country continues to face a high rate of youth unemployment (Nyakunu & Rogerson, 2014:5). According to Kavita and Saarinen (2016:80), the growing recognition of the importance of the tourism and hospitality sector on a global scale as a catalyst for economic growth and employment generation was taken into consideration by the Namibian government; in 1991 the sector was declared a priority. Eita and Jordaan (2014:391) highlight that this sector has been recognised in the Vision 2030 and the National Development Plan. Vision 2030 is the development of a framework plan at a national level which reflects the goals and objectives of Namibian citizens in the long-term. Apart from Vision 2030, Nyakunu & Rogerson (2014:5) note that tourism and accommodation development in this country is guided by a national tourism policy which upholds principles centred on economic, social and environmental sustainability, destination competitiveness, collaboration of stakeholders in tourism development decision-making, protection of natural resources and government's investment in infrastructure development, marketing, education and skills development. In addition, Saarinen (2010:713) points out that community-based tourism has been implemented to ensure active participation of communities in tourism development and practices such that they acknowledge and obtain benefits. In 2016, the Namibian Ministry of Environment and Tourism released the 2016–2026 strategy for national sustainable tourism growth and investment (Namibia Department of Environment and Tourism, 2016:2). The strategy highlights the country's tourism and hospitality growth vision and a detailed plan on how the vision will be attained. The following section discusses tourism growth trends in Namibia.

2.6.2.2 Tourism growth trends in Namibia

According to Nyakunu and Rogerson (2014:5), the tourism and accommodation sector is the third largest contributor to the Namibian economy after mining and agriculture. Pinehas (2018) reports that the sector remains one of the largest earning industries in the country despite the changing rate of ZAR. The country experienced a positive fluctuating growth in tourist spending between 1995-2018 as shown in Fig 2.3 (Macrotrends, 2020). Musaba *et al.* (2014:534) in their research noted that in 2006, Namibia was identified as the World's 6th fastest growing

tourism and hospitality industry. The year 2007 was a peak year contributing 16.3% to GDP while creating 73,000 jobs (Eita & Jordaan, 2014:391). Musaba *et al*. (2014:534) elucidate that the fall in tourist arrivals between 2009-2011 was attributed to worldwide financial crises whose impact caused a major recession in the industry globally. The following year, 2012 recorded a boom in the sector indicating the highest tourist arrivals and spending between 1995-2018 (Macrotrends, 2020). Although the unstable growth continued, 2015 had a great rebound with the sector contributing 10.2% towards the country's GDP. The government is projecting an increase in tourist arrivals and spending based on the steady growth observed between 2016 and 2018 (Pinehas, 2018). As tourism continues to grow, hotels are increasing their capacity to meet the demand (Saarinen (2010:713). The main source markets to Namibia have been identified as Africa, Europe, USA in that order. The following section discusses employment generation and skills development.

Namibia Tourism Statistics - Historical Data		
Year	Spending ($)	% of Exports
2018	488,000,000.00	9.86
2017	449,000,000.00	10.02
2016	349,000,000.00	9.21
2015	540,000,000.00	13.21
2014	552,000,000.00	11.44
2013	361,000,000.00	8.29
2012	635,000,000.00	12.47
2011	520,000,000.00	11.13
2010	473,000,000.00	10.29
2009	512,000,000.00	14.08
2008	484,000,000.00	13.08
2007	542,000,000.00	15.41
2006	473,000,000.00	14.90
2005	363,000,000.00	14.67
2004	426,000,000.00	18.50
2003	383,000,000.00	22.85
2002	251,000,000.00	18.77
2001	264,000,000.00	18.50
2000	193,000,000.00	13.01
1999	287,000,000.00	19.50
1998	288,000,000.00	17.94
1997	333,000,000.00	19.32
1996	293,000,000.00	16.83
1995	278,000,000.00	16.04

Figure 2.3: Namibia Tourism Statistics 1995-2020 (Macrotrends, 2020)

2.6.2.3 Employment generation and skills development

Eita and Jordaan (2014:391) note that the tourism and hospitality sector created 103,500 jobs which signifies 19.4% of total employment in Namibia in 2006. According to Bank of Namibia (2012) accommodation and restaurants contribute approximately 6.6% of country's total employment. The fluctuations and steady tourism growth over the past decade affected employment creation by the sector (Macrotrends, 2020). The year 2017 experienced a significant rebound contributing 98,000 jobs which represents 14% of the national employment (Nakale, 2018). The industry continues to thrive and the year 2019 recorded 2.5% growth from 2018 (Smit, 2020). The continuous growth tallies with Vision 2030 and it is forecasted that the sector will contribute immensely towards GDP and employment creation (Nakale, 2020).

As employment opportunities surge due to growth in tourism, training and skills development are of paramount importance for quality service delivery, reinforcing guest loyalty, attracting new guests. In Namibia, the Hospitality Association of Namibia monitors and guarantees the quality of service and facilities offered by accommodation establishments while training is offered by different institutions like universities, colleges and vocational training providers (Musaba, *et al.,* 2014:534; Ezeuduji *et al.,* 2017). The government is committed to invest in training and skills development of tourism and accommodation personnel as indicated in the National Development Plan (Nyakunu and Rogerson (2014:9). In addition, the Tourism Human Resource Strategy aims at providing preliminary education and training as well as offering further training to the existing workforce to guarantee competitiveness and sustainability of the tourism and accommodation sector (Namibia Academy for Tourism and Hospitality, 2018). The strategies put in place by the government will eradicate the skills gap in relation to administration, guest relations, chefs and qualified hotel managers (Namibia Training Authority, 2015:9). The following section discusses the dollarisation of Zimbabwe.

2.6.3 Zimbabwe dollarisation

Zimbabwe's economy was officially dollarised in February 2009. The multi-currency approach was adopted while the ZW$ was dumped (Kabote *et al.*, 2013:33). During the early days of dollarisation, currency circulation was fairly heterogeneous across the country. Towns closer to Zambia preferred the Kwacha and the US$, those closer to Mozambique preferred the US$, while those closer to Botswana used the Pula and the ZAR, enjoyed in wider circulation in towns closer to South Africa (Noko, 2011:348). However, the US$ is the chief currency in circulation currently. The US$ is operating alongside local bond notes due to the cash crisis. The value of bond notes is on par with the US$ —1:1 (Tshili, 2007). Hotel rates are tagged in

US$ and this currency is accepted from international tourists while locals can pay in both bond notes and US$.

According to Makochekanwa (2009:10), dollarisation lowered transaction costs. Transaction costs occur when a country imports goods. The importer converts the currency to that of the country from which he is importing. For example, if a buyer from Zimbabwe wanted to import from Japan before dollarisation, the buyer had to first convert ZW$ to US$, and then convent US$ into Japanese Yen. After dollarisation, with the US$ as the anchor currency, the Zimbabwean buyer simply does one conversion from US$ to Yen, thus reducing import transaction costs. Reduced transaction costs benefitted accommodation establishments that were renovated or built new properties using imported materials like the Old Drift Camp built by Wild Horizons.

Nkomazana and Niyimbanira (2014:72) reported that hyperinflation was reduced, which supports what Noko (2011:340) outlined as one of the reasons dollarisation was implemented. Negative monthly inflation was recorded between January 2009 and May 2009 as -2.3%, -3.1%, -3.0%, -1.10%, -1.0% respectively. Furthermore, GDP growth rate increased from -14.4 % in 2006 to 3.7% in 2009 (Noko, 2011:349). Recent statistics show a GDP growth rate of 0.85% (Statista, 2018a). Prices of all commodities, accommodation rates and tourism services became stable. Therefore, international and local tourists increased by 32% and 36% respectively. The average national room occupancy grew by 50% from June 2010 until the end of 2011 (Kabote *et al.*, 2013:34). The research conducted by the ZTA in 2016 indicated that the average national occupancy rate has increased from 33% in 2008 to 46% 2016, while Victoria Falls increased from 20% in 2008 to 49% in 2016 (ZTA, 2008; ZTA, 2016). Nkomazana and Niyimbanira (2014:72) observed that products and services became less competitive in the international market due to perceived low quality yet remained highly priced. In the accommodation sector, the neighbouring country of South Africa is more competitive and receives more tourists as evidenced by the occupancy rate of 61.2% in 2016 (Statista, 2018b). It was indicated that dollarisation attracted foreign investors. The South African-based hotel management company Legacy Hotels took over the Elephant Hills Resort and renovated the property to meet international standards (Elephant Hills, n.d.). The Victoria Falls Hotel was also renovated in 2013 by African Sun Hotels (VictoriaFalls24.com, 2018). However, Nkomazana and Niyimbanira (2014:72) report that most foreign investors do not retain the profits as deposits or re-investment to improve local offerings.

Despite the advantages outlined previously, Makochekanwa (2009:12) lists the following disadvantages of using US$ as the currency of reference—forfeiture of autonomous monetary

authority, and loss of lender of last resort, insurance against risks, national sovereignty, ability to use inflation tax as well as seigniorage revenue.

Following the advantages and disadvantages explained above about the use of US$, the impacts of current currency on accommodation establishments is discussed in the next section.

2.6.3.1 Impacts of current currency pricing on accommodation establishments

The impacts of the current foreign currency pricing have affected the potential of accommodation businesses towards economic recovery. These impacts range from high rates, poor service quality, deteriorating hotel infrastructure and cash crisis. The following section discusses how the USD pricing has affected the growth and profitability of accommodation establishments in Victoria Falls.

2.6.3.2 High rates and less competitive accommodation

Research conducted by the Zimbabwe Council for Tourism in collaboration with the Zimbabwe Economic Policy Analysis Research Unit in 2016 and reported by Muzapu and Sibanda (2016:60), showed that accommodation in Zimbabwe's tourism centres was too expensive and limited tourists to 1-night stays. Service providers implemented the high inflation period pricing where high margins are the norm (Nyaruwata & Runyowa 2017:4). Macheka (2015) noted that the rate in US$ per night charged is high, therefore shortening tourists' length of stay. Most visitors are day excursionists who either fly back or stay in neighbouring countries (Mpofu & Chitura, 2015:1).

Nyaruwata and Runyowa (2017:4) report that tourists are now taking holidays in countries like South Africa, Botswana, Mozambique and Zambia, where the exchange rate between their currencies and local currencies (Rand, Pula, Kwacha and Meticals) give them greater value for money than Zimbabwe does. Mupanedemo (2016) states that Zimbabwe remains an expensive tourist destination, especially in the resort town of Victoria Falls. While 5-star hotels in Harare like Meikles hotel charge US$253.00 per night for an entry level room in winter, the Victoria Falls Hotel charges $401.00 for the same period during the time under review (Meikles Hotel, 2018; Victoria Falls Hotel, 2018b). Mupanedemo (2016) adds that tourists could stay longer in neighbouring countries for the same price. In other words, accommodation in Zimbabwe is less competitive in terms of quality and price in comparison to South Africa, Zambia and Botswana (Muzapu & Sibanda, 2016:60). According to Nyaruwata and Runyowa (2017:4), tourists are paying a lot for the third world product asserted.

Besides US$ pricing, the 15% VAT is another factor which contributes to high prices on accommodation (Mataranyika, 2018). This situation is unhealthy for an industry that is expected to generate the foreign currency needed to ease the cash crisis. In 2014, the occupancy rate declined with 17% (Muzapu & Sibanda, 2016:60). According to the latest research conducted by the ZTA (2016), the average national room occupancy is 46%, with Victoria Falls at 49%, and there is a slight decrease in occupancy rate of 1% and 2% in 2015 and 2016 respectively. Regardless of VAT, Mupanedemo (2016) reports that it is highly expensive to run a hotel in Zimbabwe due to charges like levies, rates, taxes and licences. In the same article, Mupanedemo highlights that there are 23 levies that need to be settled by the lodge for a hotel to operate.

Although there are myriads of reasons why hotels in the town of Victoria Falls are expensive, the US$ pricing system deters tourists from visiting the town in numbers. Many tourists from South Africa, which is one of Zimbabwe's biggest source markets, prefer to have their holiday within South Africa or go to other countries. This is because of the depreciation of the ZAR against the US$ (Mupanedemo, 2016). Besides accommodation, tourists spend money on food, transport, activities and visiting different attractions. All these services are charged in US$. This make a holiday in Victoria Falls far more expensive than other destinations in the Southern Africa region whose currency has a lower value than the US$, although the experience is different (Muzapu & Sibanda, 2016:60). Therefore, it can be concluded that the change of currency will attract international tourists, grow domestic markets, give tourists good value for money, allow longer stays for tourists and hotels will compete equally with other hotels in the region in terms of value and quality of service.

2.6.3.3 Poor service quality

Dollarising the economy has also affected hotel operations negatively. The low occupancy rate had an impact on the salary of employees. Furthermore, the economic meltdown of 2000 to 2008 and the cash crisis caused the exodus of accommodation industry skilled employees to neighbouring countries. The establishments were left with no choice but to employ unskilled staff that were expected to serve efficiently and as a result, accommodation establishments in Victoria Falls town were heavily affected. Poor service delivery is exacerbated by insufficient training of new recruits (Mpofu & Chitura, 2015:1).

Hotels and tourism companies have not been able to allocate adequate resources needed for effective training of staff in areas such as reception, concierge and housekeeping (Nyaruwata & Runyowa, 2017:6). The competitiveness of Zimbabwean hotels has been greatly affected at

both a regional and an international level. Inefficiency in food production and service delivery has been also noted, thus hotels struggle to satisfy guests' demands (Moyo, 2016). Customer satisfaction is of paramount importance in determining competitiveness, business growth through repeat business, word of mouth and pricing strategies (Zhou, 2018:6). Adoption of a new currency is believed to boost accommodation business, thereby generating more money for training staff to deliver quality service. The research conducted by Makuzva and Ntloko (2018:87) showed that 50% of the tourists that visited the town of Victoria Falls were satisfied with the services offered at different hotels.

2.6.3.4 *Deteriorating hotel infrastructure and facilities*

The hotel infrastructure and facilities were negatively affected by the economic downturn. Accommodation establishments deteriorated and were unable to meet regional and international standards (Kanjanda, 2016). Most accommodation establishments endeavour to advance their technology to meet global standards, for example the use of an online application which enables guests to check in and out, order meals and ask for any kind of help online.

The struggle to operate at full capacity is an ongoing problem as the rates charged by hotels are perceived to be expensive (Mutori, 2016:1). Although some hotels are slowly upgrading to new technology and renovating their premises, most of them still need to consider updating their establishments and facilities. According to Muzapu and Sibanda (2016:60), Zimbabwe lacks quality hotels, therefore there is the need to import capital equipment for expansion, modernisation and renovations for accommodation establishments. In addition, establishments in the town of Victoria Falls are not suitable to host major international events. Hotels that are internationally reputable need to be further developed.

2.6.3.5 *Cash crisis*

The Hospitality Association of Zimbabwe (HAZ) announced the drop in bookings and acknowledged that it is attributable to harsh economic conditions and cash shortages (Moyo, 2016). Although tourists can pay for accommodation using credit cards, they need cash for day-to-day activities. Tourists conduct about 80% of their business in cash, which is mostly not available due to the ongoing cash crisis (Moyo, 2016). This situation has affected both international and domestic tourists (ZTA, 2016).

Travel warnings about cash shortages were given to tourists via various platforms, including Trip Advisor, newspaper articles, tour operators and government websites. International tourists are encouraged to carry enough cash with them since non-Zimbabwean Visa cards

have not worked in some places for some time (Machingura, 2016; News24, 2016; UK Government, 2018). Domestic tourism is greatly affected and local people cannot withdraw sufficient money from their banks to cover their travelling expenses, which is impossible to do with plastic money (Machingura, 2016). Plastic money is defined as cards that do not need cash (Collins English Dictionary, 2018).

Dollarisation, although beneficial, was questioned by Noko (2011:354) as to why the government adopted US$ instead of ZAR when ZAR was competing almost equally with the US$. In addition, government was aware of the fluctuating value of the US$. Noko added that the US$ has long-term record but does not have long-term prospects. Nevertheless, Zimbabweans hold the opinion that South Africa's economy rests on shaky ground (Noko, 2011:355). Sibanda (2017) indicated that locals prefer US$ as the store of value currency while the CZI proposed that they would be happy to use ZAR as a chief currency. Noko (2011:352) added that adopting ZAR could have been the strategic decision in the sense that the country might have negotiated for inclusion in the Common Monetary Area (CMA). Noko foresaw the challenges associated with the decision of adopting the US$ as the country was already experiencing cash shortages in the form of coins. Furthermore, Sibanda (2017) stated that no country in the world had ever successfully used US$ as a reference currency for a longer period of time except for Panama and Ecuador due to the good relationship between the countries, which guaranteed a continuous supply of US$ when there was a need for liquidity. Makochekanwa (2009:26) advocated that Zimbabwe should join the CMA. Under this system, the ZAR would become legal tender (official currency) operating alongside the ZW$ on a one-to-one exchange rate. The CMA has long-term goals, established rules and preferences and therefore Zimbabwe's admission is not guaranteed. Additionally, the CMA might consider the political and economic factors.

Dollarisation meant continual injection of US$ in the economy to avoid cash shortages and a liquidity crisis. Mwanawashe (2017) reports that the country is currently facing liquidity problems, an unfortunate environment for any business in which to operate efficiently. For this reason, the CZI is pushing for the adoption of ZAR as the official currency to replace the US$. This decision is supported by Noko (2011:354) and (Sibanda, 2017) who suggest that ZAR should be Zimbabwe's chief currency. The newly appointed Minister of finance, Dr Mthuli Ncube in his interview with a local newspaper, stated that adopting ZAR is a good idea. However, due to the current cash crisis the government needs to remove bond notes and let the US$ become the core currency. Nevertheless, Zimbabwe's domestic currency should be brought back over time (The Zimbabwe Mail, 2018).

The then-Minister of Finance, Patrick Chinamasa, recommended that the tourism industry and accommodation establishments should use ZAR to cushion itself from a cash crisis (Chinamasa, 2016). Muzapu and Sibanda (2016:60) argue that the industry is integrated with other sectors of the economy and therefore cannot realise its maximum potential in isolation. It can be concluded that for tourism to do well, all other sectors should use ZAR as the official currency because the cash crisis affects all the sectors of the economy.

Although dollarisation contributed to growth in accommodation establishments, businesses did not operate at full capacity (Rusike & Chitambara, 2012:5; Muzapu & Sibanda, 2016:60). Given that the occupancy rate is determined by price competitiveness, adoption of ZAR as the main currency could increase the room occupancy as the price for accommodation will be charged in the same currency in both Zimbabwe and South Africa. HAZ president, Mr George Manyumwa, expressed concern that if hotel rates are pegged in ZAR the situation will be still be problematic since the US$ is used for daily operations like paying workers and other expenses (Mupanedemo, 2016). Should the government want to change the official currency, the decision should involve all economy stakeholders so that individual and group needs are met. This avoids conflict in the implementation process and future developments (Gottesdiener, 2002:122).

2.7   Theoretical and conceptual framework

This section of literature discusses the theoretical framework that was adopted for this study. The framework applied in this research provided the researcher with clear guidelines and helped in understanding the research problem and how to go about researching and analysing the results (Adom, Hussein & Agyem, 2018:438). The authors further note that a theoretical framework operates at a higher level than a conceptual framework, which is limited in scope and focuses only on relationships between concepts and factors that relate to the topic under investigation.

In the following sections, various authors note the differences between the theoretical and conceptual frameworks.

According to Ravitch and Riggan (2016:25), a conceptual framework is "the focal framework is the process of designing and engaging in research which details the primary and core constructs of a study and the relationships between them". Sevilla *et al.* (1992:18) defined the conceptual framework as the integration of concepts and assumptions that underlie them into a meaningful configuration to explain a research problem. Adom *et al.* (2018:439) defines a

conceptual framework as the end result of integrating a number of related concepts to broaden the understanding of a research problem. On the other hand, Labaree (2009) defined the theoretical framework as the structure that holds, supports and provides the theory of the study under investigation.

This structure is developed by establishing a coherent explanation of the phenomenon to be examined and its relationships (Grant & Osanloo, 2014:13). The theoretical framework explicates the existence of the research problem (Jaison, 2018:80). Fawcett and Pockett (2013:132) state that the theoretical framework is a blueprint for the research to be examined and serves as a guide to build and support the study under investigation. It consists of selected theories and concepts that are relevant to the study (Egbert & Sanden, 2013:60). Furthermore, it provides an anchor or foundation for literature review, research methods for the problem to be examined and analysis of the results (Fawcett & Pockett, 2015:132).

The theoretical framework which informs this study is stakeholder theory, collaboration theory and SET which are discussed in the next section.

2.7.1 Stakeholder Theory

According to Gray (1989:5), a stakeholder is an individual, group or organisation that directly affects or is affected by the actions of others to resolve a problem. Freeman (1984:46) defined a stakeholder from a management perspective as "any group or individual who can influence or is influenced by the achievement of an organisation's objectives." On the other hand, Ladkini and Betramini (2002:73) define a stakeholder as a net for apprehending pertinent people or individuals within a community and those further of its borders with different opinions and interests about the success of a project. Caffyn and Jobbins (2003:229) added that stakeholders vary depending on the nature of project or business. Usually they include government, local people, NGOs and private businesses. Allen and Kilvington (2010:250) added that stakeholders include organisations, departments, agencies and networks. Donaldson and Preston (1995:67) further explained that all stakeholders have a legitimate interest in the practical aspects of business activities or projects. They are usually recognised by their noticeable interest despite that the business has or does not have correlating interest in them and lastly, stakeholder's interests are of intrinsic value thus deserving quality consideration for their own sake. In pursuit of investigating the perceived impacts of a potential change in foreign currency pricing on accommodation establishments in a selected Zimbabwean town, involvement of stakeholders is a key aspect in decision-making.

This study is informed by the stakeholder theory founded by R Edward Freeman. The presentation and discussion of this theory is aligned with the other theories. According to Hardy and Beeton (2001:74), the theory has been widely and successfully implemented in tourism planning and management for sustainable growth and development. The theory states that all stakeholders should participate in the decision-making and implementation of strategies for the success of businesses or projects (Freeman, 2010:46). Stakeholder theory has an executive value in nature as it aims to create good relationships among stakeholders in terms of behaviour and engagement practices (Donaldson & Preston, 1995:67). According to Sautter and Leisen (1999:315), the stakeholder theory is described as an effective management and planning tool.

Various authors (Timothy, 1998; De Araujo & Bramwell, 1999; Selin, Schuett & Carr, 2000; De Araujo & Bramwell, 2002; Watkins & Bell, 2002; Aas, Ladkin & Fletcher, 2005) assert that Freeman's theory offers a suitable platform for collaboration, participation and cooperation of all stakeholders in planning and decision-making. According to Hardy and Beeton (2001:74), partnerships and collaboration do not just happen by chance, but through the process of stakeholder identification and involvement called stakeholder analysis.

The decision on currency change affects different sectors across the economy, making the coverage of stakeholders very broad and a daunting task to fulfil. Despite the latter, all stakeholders ought to participate in the decision-making process through various platforms such as workshops or small group discussions. For example, in the tourism sector, there are accommodation establishments, attractions, food and beverages, and transport. Mining, agriculture and other sectors also have different businesses that operate under their portfolio. It is important that each sector is represented and that their collective views are integrated to influence the decision-making process. By doing so, every business has an equal opportunity to participate in decision-making.

2.7.1.1 Stakeholder analysis

Grimble and Wellard (1997:175) define stakeholder analysis as "holistic approach or procedure for gaining an understanding of a system, and assessing the impact of changes to that system, by means of identifying the main actors or stakeholders and assessing their respective interests in the system." According to Allen and Kilvington (2010:250), stakeholder analysis is "the identification of a project's key stakeholders and assessment of their interests, and the way in which those interests affect project riskiness and viability." The authors further establish that stakeholder analysis is the first step in building the connections required for the achievement of a participatory undertaking or strategy.

Ntloko (2016:45) ascertains that the stakeholder analysis is of great advantage in planning where participation of different stakeholders is required as it helps with the screening process of "identifying and analysing the relevancy of stakeholders in advance". As a result, all costs associated with unnecessary conflicts, poor planning and management are eliminated (Hardy & Beeton, 2001:76). In addition, Tse (2006:33) states that stakeholder identification avoids time wastage in probing for contacts amid a crisis. Furthermore, Ntloko (2016:45) has a view that through stakeholder analysis one can gain comprehension of the value each stakeholder can contribute to the engagement process. Mason (2008:248) suggests that stakeholders should always thrive for sustainable tourism practices through their contribution. Allen and Kilvington (2010:251) narrated the following five benefits of stakeholder analysis:

- Point out and define attributes of key stakeholders
- Protract stakeholders' interests in relation to the aim of the project or complications that the project is in pursuit to address
- Identify clash of interest among stakeholders so as to assist in managing such relationships during participation and engagement.
- Help in recognising relationships among stakeholders that enhances coalitions of cooperation.
- Evaluate the capacity of various stakeholders to participate.
- Help evaluate the proper kind of cooperation by various stakeholders at progressive phases of the project for example informing, consulting and partnership – these have various potential models of correspondence.

Stakeholder identification is crucial for tourism planning and development ranging from local to national level. Ntloko (2016:37) posits that all stakeholders have a distinctive potential that can influence planning at different levels. Preble (2005:414) classifies stakeholders into three categories, which are primary, public and secondary. Primary stakeholders are defined as those whose ongoing contribution is required for the survival of an organisation. In the accommodation sector, these stakeholders include shareholders, guests, employees, investors and suppliers of linen, fresh produce for the hotel restaurant and cleaning detergents. These stakeholders play an important role in gathering the information that the accommodation owner/ manager can present during currency change workshops such as how the current currency is affecting shareholder's profits, guests' value for money and employees' wellness

Public stakeholders guide the development of accommodation sector through formulation of policies and regulations and providing training. These include government, communities and training centres or the education sector (Rixon, 2010:350). Lastly, secondary stakeholders are

described as those who are not directly engaged in transactions by an organisation, but are essential for its survival, such as media (Preble, 2005:415). Figure 2.4 shows different types of stakeholders. For the purpose of this study, the main stakeholders relevant for possible currency discussion are the government and the private sector (with specific focus on accommodation).
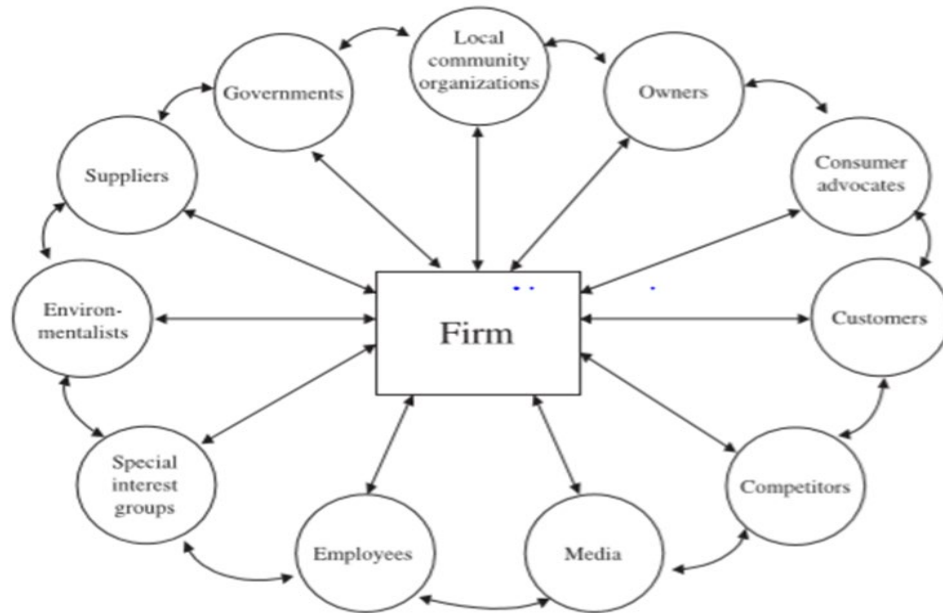
Figure 2.4: Stakeholder Map (Freeman, 1984)

Stakeholder analysis provides a procedure for a greater understanding of developmental obstacles and different views of stakeholders at different levels. Hardy and Beeton (2001:75) highlight that stakeholder opinions are fundamental in finding solutions for problems with short and long-term impact. Ntloko (2016:37) ascertain that the cooperation of all stakeholders affected by a problem gives them a sense of ownership, therefore thriving in finding quality solutions Yuksel *et al.* (1999:357) state that the analysis is of paramount importance as it enhances good planning and management which promotes sustainable development. Allen and Kilvington (2010:252) put forward the stakeholder mapping matrix which is highly useful when undertaking the stakeholder analysis process.

```
                High importance          High importance
                Low influence            High influence
Level of      ┌──────────────────────┬──────────────────────┐
importance    │ Low importance       │ Low importance       │
              │ Low influence        │ High influence       │
              └──────────────────────┴──────────────────────┘
                          Level of influence
              ──────────────────────────────────────────────▶
```

Figure 2.5: A stakeholder mapping matrix (Allen & Kilvington, 2001:252)

Figure 2.5 illustrates that stakeholders impact the planning process through their importance and influence. Every successful project requires the involvement of influential and important stakeholders. Allen and Kilvington (2010:252) define influence as the degree to which a stakeholder can positively or negatively affect the success of a project. On the other hand, importance refers to the stakeholders whose interests, needs and problems concur with the goals of the project. The authors further revealed questions that can help to uncover the interests, importance and influence of stakeholders. These include:

- What advantages or disadvantages are stakeholders likely to face?
- What kind of resources are the stakeholders possibly contributing to the project?
- Does the stakeholder have additional interests that could conflict with the project?
- What regard does the stakeholder have for others on the list?
- What are the expectations of the stakeholder from the project?
- What is the stakeholder likely to expect from the project?

In addition to identifying stakeholders through stakeholder analysis, it is crucial to identify methods that enables engagement or involvement in tourism planning and development. According to Hardy and Beeton (2001:76) "drop-in centres, nominal group techniques, citizen surveys, focus groups, task forces and consensus-building meetings" have proven to be effective. Preble (2005:415) brought forward a Comprehensive Stakeholder Management Process Model which gives an overview of the entire stakeholder management process from identification of stakeholders, involvement, development of policies, implementation and monitoring as shown in Figure 2.6.

```
┌─────────────────────────────────────────────────┐
│        Step 1. Stakeholder identification        │
│            - Primary, Public, Secondary          │
└─────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────────────┐
│ Step 2. General nature of stakeholder claims and power   │
│                     implications                         │
│            - Equity, Economic, Influencers               │
└─────────────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────┐
│       Step 3. Determine performance gaps         │
│         - Define stakeholder expectations        │
│           - Conduct performance audits           │
│                  - Reveal gaps                    │
│        - Explore stakeholder influence strategies│
└─────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────────────┐
│         Step 4. Prioritize stakeholder demands           │
│  - Determine stakeholder salience (power, legitimacy,    │
│                      urgency)                            │
│  - Assess the strategic importance of various stakeholders│
└─────────────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────┐
│     Step 5. Develop organizational responses     │
│              - Direct communication              │
│             - Collaboration/partnering           │
│               - Set performance goals            │
│         - Develop policies/strategies/programs    │
│                 - Allocate resources             │
│            - Revise "Statement of Purpose"        │
└─────────────────────────────────────────────────┘

┌─────────────────────────────────────────────────┐
│          Step 6. Monitoring and control          │
│       - Continually check stakeholder positions   │
│             - Evaluate strategic progress        │
│         - Conduct social/environmental audits     │
└─────────────────────────────────────────────────┘

Restart
```

Figure 2.6: Comprehensive Stakeholder Management Process Model (Preble, 2005:415)

The steps highlighted in the Comprehensive Stakeholder Management Process Model (Figure 2.6) are vital for stakeholder involvement in decision-making and the successful implementation of decisions on currency change in Zimbabwe since it is a national problem.

According to Ntloko (2016:34), they are three pillars of the stakeholder theory. These are participation, collaboration and cooperation. The collaboration theory by Jamal and Getz

(1995) explicitly explains the importance of these pillars for the development, success, growth and sustainability of tourism development at community, regional and national level.

2.7.1.2 The collaboration theory

The collaboration theory was developed by Jamal and Getz in 1995. It is a theory aimed at bringing various stakeholders together so that mutual decisions can be made. The theory follows the assumption that there is no single stakeholder that can make a decision on behalf of other stakeholders to attain sustainable development. Thus, all stakeholders need to collaborate and deliberate on the challenges they face (Jamal & Getz, 1995:189). The collaboration theory states that a decision-making process for sustainable development involves all key stakeholders (Jamal & Getz, 1995:188). Bramwell and Lane (2013:2) report that participation of all stakeholders balances the power between different groups and promotes sustainable development and growth. The ultimate goal of stakeholder involvement is to move power from government and experts. Phanumat *et al.* (2015:917) assert that the outcome of decisions from collaboration sets a balance between government and businesses with traditional power and communities, employees and tourists who have to live with the outcome of decisions made.

In the context of this study, the decision on currency reform requires the collaboration of multiple stakeholders. The collaboration theory is therefore relevant to a study of this nature which aims to ascertain the perceived impacts of possible currency change on accommodation establishments in Victoria Falls. The theory is ideal to bring the government, public sector, accommodation sector and private sector together so that they can deliver the best possible decision on the potential currency, which can lead to competitive pricing of accommodation services. These stakeholders have to first state their grievances on currency change and voice their views on currency reform options that Finance and Economic Development Minister, Professor Mthuli Ncube, wishes to pursue, then put their minds together to reach mutual agreement on the new currency to be adopted. In other words, the accommodation sector is part of the entire structure discussing the currency change issues.

The importance of collaboration has been revealed by different authors though several definitions and explanations. Gray (1989:5) defines collaboration as "a process through which parties who see different aspects of a problem can constructively explore their differences and search for solutions that go beyond their own limited vision of what is possible". It results in the sharing and implementation of ideas and creative methods to deal with solutions (Graci, 2013:28). In their definition, Bramwell and Lane (2005:1) state that collaboration involves stakeholders that amalgamate to achieve certain goals which are likely to be unattainable

individually. Stakeholders are individuals, groups or organisations that directly affect or are affected by the actions of others to resolve a problem (Gray, 1989:5).

Inter-organisational effort is required to address problems that are too complicated to be resolved effectively by independent action (Gray & Wood, 1991:5). Therefore, stakeholders of a domain come together to discuss, make decisions and plan future sustainable developments of that domain (Gray, 1989:227). Each stakeholder has control over different resources that cannot be capitalised in isolation (Bramwell & Lane, 2000:302). Examples of these resources include expertise, knowledge, constituency and capital. Stakeholders deal with concerns and establish mutually agreed objectives that benefit all groups affected (Graci, 2013:28). Although decisions are made conjointly on a consensus basis, stakeholders remain autonomous while abiding by rules of the collaborative alliance (Wood & Gray, 1991:4). De Araujo and Bramwell (2002:1140) argued that through collaboration the execution of plans and implementation of policies may be more acceptable by the stakeholders who were involved in creating them. Stakeholders can also recognise possible advantages of working together where shared visions are advanced (Jamal & Getz, 1995:187).

Although collaboration requires the participation of all stakeholders, the government facilitates the process and makes concluding remarks on final decisions. In other words, the government determines the sustainable development and growth of the industry (Wisansing, 2004:40). Tosun and Timothy (2001:355) agree that tourism services and activities have a positive impact on the economy through foreign currency earnings. Ntloko (2016:84) holds the same view, that government is the key to tourism planning and decision-making. Therefore, the success of sustainable development through decision-making lies with the government. Ntloko argues that the role of the government is significant, thus, initiatives which reflect good governance, reliability and accountability in planning and decision-making should be put in place. Wang (2001:324) acknowledged that the government is the leader in tourism development but expressed concerns that dishonesty in decision-making and unfair service delivery need to be addressed. Tosun and Timothy (2001:357–358) note that these shortcomings of government is the result of over-politicised states, political cultures and the manner in which public administration is run.

In summary, there are five characteristics critical to the collaborative process, as identified by Gray (1989:11):

- Stakeholders are interdependent;
- Solutions emerge by dealing constructively with differences;
- Joint ownership of decisions is involved;
- Stakeholders assume collective responsibility for the future direction of the domain; and

- Collaboration is an emergent process.

Like any other process, collaboration involves a series of steps. Gray (1989:236) suggested a three-phase framework for the collaboration process. The first phase is problem setting, followed by direction setting and lastly, implementation of proposed course of action. These three phases are summarised in Figure 2.2.

According to Jamal and Getz (1995:189), problem setting requires all stakeholders to concur on what the problem is and that it needs co-operation to find a solution. Samaita (2018) notes that the key stakeholders are aware of the economic downturn characterised by acute cash shortages and the foreign currency crunch facing the country. As a result of the cash crisis, inflation increased, leading to skyrocketing prices. The high rate of inflation caused an increase in daily hotel operation costs, either to break even or make a profit. The Minister of Tourism and Hospitality, Prisca Mupfumira, told the local newspaper Bulawayo24 that the government is aware of the high prices charged by accommodation establishments and the impacts on both domestic and international tourists (News24, 2016). The chairman of the Hotels Association of Zimbabwen, Chris Svova, is aware of the effects of high rates, especially on domestic tourists (Granat, 2018). Therefore, it is crucial for government, the private sector, accommodation sector and public sector to convene and understand the effects of using US$ alongside bond notes on the accommodation sector. Gray (1989:200) argues that direction setting, if well conducted, can avoid political problems during its implementation.

The second phase of direction setting focuses on discussing the values and interests of each stakeholder. This platform gave all stakeholders an opportunity to agree or disagree with the options of currency reforms that Mthuli Ncube revealed in his interview with The Zimbabwe Mail (2018). Bwiti (2018) listed the suggested three reforms as adopting the US$ as the only chief currency and demonetising the bond notes, adopting the ZAR by negotiating to join the Rand Monetary Area, and adopting a new ZW$.

After discussions, all stakeholders reach consensus and proceed with the implementation of currency reform, which is the last phase of the collaboration theory. Jamal and Getz (1995:190) suggested that a structure should be in place to monitor progress and ensure compliance with collaboration decisions.

Depending on the extent to which this study is viewed by stakeholders, both directly and indirectly affected, its provisions are in line with those presented in Figure 2.7 of the collaboration process.

Stages and Propositions	Facilitating Conditions	Actions/Steps
Stage 1: **Problem-Setting** Propositions applicable: PI, P2, P3, P4, P5	➤ Recognition of interdependence ➤ Identification of a required number of stakeholders ➤ perceptions of legitimacy among ➤ stakeholders ➤ legitimate/skilled convener ➤ positive beliefs about outcomes ➤ shared access power ➤ mandate (external or internal) ➤ adequate resources to convene and enable collaboration process.	➤ Define purpose and domin ➤ Identify convener ➤ Convene stakeholders ➤ define problems/issues to resolve ➤ identify and legitimize stakeholders ➤ build commitment to collaborate by ➤ raising awareness of interdependence ➤ balancing power differences ➤ addressing stakeholder concerns ➤ ensuring adequate resources available to allow collaboration to proceed with key stakeholders present.
Stage II: **Direction-Setting** Propositions applicable: P1, P2, P3, P6	➤ Coincidence of values ➤ dispersion of power among ➤ stakeholders.	➤ Collect and share information ➤ appreciate shared values, enhance perceived interdependence ➤ ensure power distributed among several stakeholders ➤ establish rules and agenda for ➤ direction setting ➤ organize subgroups if required ➤ list alternatives ➤ discuss various options ➤ select appropriate solutions ➤ arrive at shared vision or ➤ plan/strategy through consensus.
Stage 111: **Implementation** *Propositions applicable:* P1,P2, P6	➤ High degree of ongoing ➤ interdependence ➤ external mandates ➤ a redistribution of power ➤ influencing the contextual ➤ environment.	➤ Discuss means of implementing and monitoring solutions, shared vision, ➤ plan or strategy ➤ select suitable structure for institutionalizing process ➤ assign goals and tasks ➤ monitor ongoing progress and ensure compliance to collaboration decisions.

Figure 2.7: Collaboration process (Jamal & Getz, 1995:190)

2.7.2 Social Exchange Theory

This study is also informed by the social exchange theory (SET) as highlighted earlier. Cropanzano *et al*. (2017:1) postulate that SET is one of the most comprehensive conceptual models that cover numeral social scientific disciplines such as economics, anthropology, sociology, management and social psychology. The authors added that despite its classification, social exchange theory is not a one theory but a group of conceptual models. Emerson (1976:336) ascertains that SET is a broad conceptual framework of reference from which many theories whether in argument or in mutual support both small and big can be developed. Cropanzano *et al*. (2017:2) added that SET can be used to describe nearly all findings that are reasonable in a post hoc manner.

Homans (1961:13) has described the theory as a sociological and psychological hypothesis that analyses social behaviour in the interactivity of at least two parties that apply cost-benefit analysis to determine rewards or costs associated with an activity. Emerson (1976:337) underscores that two parties or actors exchange resources with the aim of getting rewards or

profit. The actors can be identified as individuals, groups, organisations and institutions (Ap,1992:668). According to Emerson (1976:336) SET predicts that people stay in a relationship when rewards outweigh the cost (relationship is profitable). Through the theory it has also been discovered that people participate in events or relationships which results in positive results. They try to avoid those which yield the negative results or costs. Crossman (2020) shows how an individual can calculate benefits of a relationship using the following formula: Profits = Rewards – Costs.

The above explanation reveals that they are at least two actors involved and are both dependent on each other for favourable results. In investigating the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls, the actors involved are accommodation establishments among other business in the private sector and the government. According to Preble (2005:414) the government formulate policies and regulations which guide the development of businesses. On the other hand, accommodation establishments are businesses in the private sector that profit driven and their success has positive ripple effects on the economy such as employment creation, increase in GDP and foreign currency generation. The relation between the government and accommodation businesses implies that both actors need each other to yield positive benefits. The actors are interdependent meaning they both need each other to work towards a goal of recovering and growing the economy. Dijkstra (2015) describe this type of social exchange as the productive exchange. There will be an exchange between the government and accommodation establishment. The author asserts that both actor's involvement contributes for either to benefit. For an example, the formulation of favourable monetary policies with the input of establishments can enhance price stability in the sector whereby a conducive choice of currency can curb challenges of exorbitant prices being charged and cash shortages that has been said to be deterring international tourists in the country (Muzapu & Sibanda, 2016:60). Such policies may result in increased number of tourists flocking in the country resulting in increased room occupancy leading to profitability and growth of accommodation establishments which in turn impact the entire economy through employment creation and increased GDP.

On a different note, engaging in a cost-benefit analysis to weigh the benefits likely to be attained after the exchange cannot be overlooked. This exchange is described as direct exchange by Dijkstra (2015), whereby both the government and accommodation establishments directly benefit from each other and the exchange will be favourable to the actor attaining more benefits. The government's response determines which actor is benefiting from the exchange since it has a final say in all developments pertaining to economic recovery and growth in the country. According to Tesone (2010:355), accommodation businesses create employment and contribute towards foreign currency generation thus making it a

significant part of the private sector. Kabote *et al.* (2013:32) highlight that the sector has been identified as a key to reviving the economy. For this reason, the government ought to engage with the sector by listening to them as well thriving to meet their needs through passing favourable regulations on decision-making, strategic planning and monetary policy that promote growth and recovery in accommodation businesses. In addition, it provides platform whereby the businesses can freely utter their grievances regarding the challenges they face on daily operations. On the other hand, the establishments need to cooperate and be proactive in engaging with the government. The accommodation establishments can experience sustainable profitability where the government is willing to engage with them and attend to their grievances.

2.8   Summary

Accommodation establishments cater for travellers who are temporarily away from their homes or usual place of work by providing homely facilities for sleep and relaxation in return for a fee. Accommodation is a basic need for tourists and is the largest sub-sector within the tourism industry. The sector is broadly categorised into two, which are hotels and supplementary accommodation. All accommodation establishments serve the same purpose but facilities and services differ from one establishment to another. It is important to note that all accommodation establishments have similar characteristics (intangibility, perishability, inseparability, variability) which affect pricing, marketing, profitability and the growth of the business.

There are four pricing approaches which can determine pricing strategies. These are cost-based pricing, demand-based pricing, competition pricing, and value-based pricing. The pricing strategies applicable to accommodation establishments are listed as premium pricing, price skimming, penetration pricing, product bundle pricing, discriminatory pricing, tactical pricing and promotional pricing. An understanding of the impacts associated with currency change is pivotal for any destination which finds itself in such a position.

This study is informed by the stakeholder theory, collaboration theory and SET. The stakeholder theory and collaboration theory explain the importance of involving all stakeholders affected by currency change in the in the decision-making process. On the other hand, SET elucidate the value of a good relationship between the government and accommodation establishments

The research methodology of this study is presented in the following chapter, Chapter Three.

CHAPTER THREE
DESIGN AND METHODOLOGY

3.1   Introduction

This chapter focuses on the research methodology and design of the study. The research questions, objectives that guide this study and a background to the study area are presented. Data collection methods and procedures are discussed, including the data collection tool, target population, sample size, sampling and data-analysis technique.

3.2   The research path

The research path of the study is determined by the research questions and research objectives formulated.

3.2.1   Research questions

According to Springett and Campbell (2006:19), research questions are the starting point of any research as they help in identifying the research problem and guide the researcher in finding answers to the research problem. Andrews (2003:45) reports that research questions frame and control the study. Research questions are crucial as they determine the research objectives, guide the data collection, and influence the findings. The following questions guided the study in establishing the perceived impacts of possible currency change on accommodation establishments in a selected Zimbabwean town, Victoria Falls.

- What is the current pricing structure among the accommodation establishments in Victoria Falls?
- What is the involvement of accommodation establishments in the discussion of possible currency change in Zimbabwe?
- What is the preferred currency by the accommodation establishments in Victoria Falls?
- What is the impact of current currency on accommodation establishments in Victoria Falls?
- What are the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls?

3.2.2   Research objectives

Brotherton (2015:57) states that research objectives provide a precise description of actions undertaken to reach the aim. They are a summary of what the study aims to achieve (Monsen & Horn, 2008:42). In essence, objectives define the focal point of the study and establish its limits. Polonsky and Waller (2011:92) state that research objectives should be clear, achievable, timely and realistic since they are the main components of the research problem and therefore guide a research project.

The following objectives were formulated to achieve the aim of this research:

- To determine the current pricing structure among the accommodation establishments in the town of Victoria Falls;
- To determine the involvement of accommodation establishments in the discussion of possible currency change in Zimbabwe;
- To determine the preferred currency by the accommodation establishments in the town of Victoria Falls;
- To ascertain the impact of current currency on accommodation establishments in the town of Victoria Falls; and
- To ascertain the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls.

3.3   Background to the study area of Victoria Falls town

According to Victoria Falls Guide (2018a), the history of Victoria Falls town dates back three million years to when Stone Age people inhabited the area. The Khoisan later displaced the Stone Age people. As time progressed, the Southern Tonga people, known as Bantoka succeeded the Khoisan. Jenman Safaris (2017) report that these people still live here, together with other tribes that joined later such as the Lozi, Matebele and Makolo. The representative of Makolo tribe, Chief Sekeletu, escorted David Livingstone in a dugout to see the Falls for the first time in 1855. It was at this time that David Livingstone named the falls after the British Monarch, Queen Victoria and that is how the town got its name.

From the time the falls were discovered, visitors started to flock from South Africa and explorers joined to witness this natural wonder. It can be concluded that this is how tourism started in the town of Victoria Falls. As a result, a settlement sprung up along the banks of Zambezi River, called Old Drift (Jenman Safaris, 2017). Unfortunately, in 1890 the settlement

was temporarily abandoned due to an outbreak of malaria and blackwater fever. The new settlement was moved to Upper Zambezi, the town now known as Livingstone in Zambia (Siyabona Africa, 2018). In 1901, people started settling again in the town of Victoria Falls with an interest in developing the hydroelectric power station (Jenman Safaris, 2017). Staden (2011:37) states that the town was officially founded in 1903 after the construction of railway line with the archetypal features of a tourist destination. McCrea and Pinchuck (2000:186) are of the same view, that the town caters solely to the needs of holidaymakers and boasts Zimbabwe's finest lodges and hotels.

The town of Victoria Falls is located on the border of Zambia, within reach of Botswana and Namibia, in the Matebeleland North Province of Zimbabwe. The town is on the southern banks of the Zambezi River at the western end of the falls and is known as the adventure capital of Africa (Michler, 2007:10). The author asserts that the town is one of the world's major tourist destinations and it is home to the famous Victoria Falls, the widest in the world and one of the world's seven natural wonders (Michler, 2007:62). Other than the waterfall, the town offers a variety of activities such as white water rafting, bungee jumping, zip lining, game drives, canoeing, helicopter flights and sunset cruises, among others (Buckley, 2006:418). Wam (2002:63) added that Victoria Falls town has something for everyone, from adrenaline adventure sports, reptile parks, helicopter flights over the falls, to traditional visits.

In addition to the array of activities and the falls, a favourable climate all year, facilities and infrastructure attract both international and domestic tourists in their numbers (McCrea & Pinchuck, 2000:187). Donovan (2015:50) notes that the roads that connect Victoria Falls town to neighbouring countries are well tarred and in good condition, which is a prerequisite for self-driving tourists. Besides good road transport networks, the town is easily accessible by air and rail. Tourists from across the world visit the town all year round although the best time to view the falls is February to May, just after region's summer rainfall (Victoria Falls Guide, 2018c). According to McCrea and Pinchuck (2000:187), the rapid influx of tourists has resulted in the growth of accommodation establishments. From one hotel (Victoria Falls Hotel), which was built in 1904 with the aim of housing workers (consultants, engineers and builders) involved in the construction of the Victoria Falls Bridge, there is now plenty of diverse accommodation including large luxury hotels, guesthouses, lodges, bed and breakfasts, hostels, backpackers, campsites and self-catering units (Staden, 2011:37; Victoria Falls Hotel, 2018c). These establishments include the Victoria Falls Hotel, Ilala Lodge, N1 Lodge, the Kingdom Hotel, Elephant Hills Hotel, Cresta Sprayview, Rainbow Hotel, Azambezi River Lodge, N1 Hotel and Kingdom Hotel, Ursula's Homestead, Stanley and Livingstone, Imbabala Safari Lodge, Georges Lodge, Old Drift Lodge, Victoria Falls River Lodge, Elephant Camp, Matetsi Lodge, Zambezi Sands, Chundu Island, Victoria Falls Island Lodge, Pioneers Camp, Lokuthula Lodge,

Villa Victoria, Flat Dog Lodge, Livingstone Lodge, Explorers Village, Nguni Lodge, Bayete Guest Lodge, Amadeus Guest Lodge, Phezulu Guest Lodge, Batonka Guest lodge, Pamusha Guest Lodge, Victoria Falls Rest Camp (Victoria Falls Guide, 2018d).

Figure 3.1 shows the map of Victoria Falls town with some of the accommodation establishments, including the Victoria Falls Hotel, the first and oldest hotel to become a luxury 5-star, and a member of leading hotels of the world. Zambezi River, Victoria Falls Bridge and the Falls are also shown.
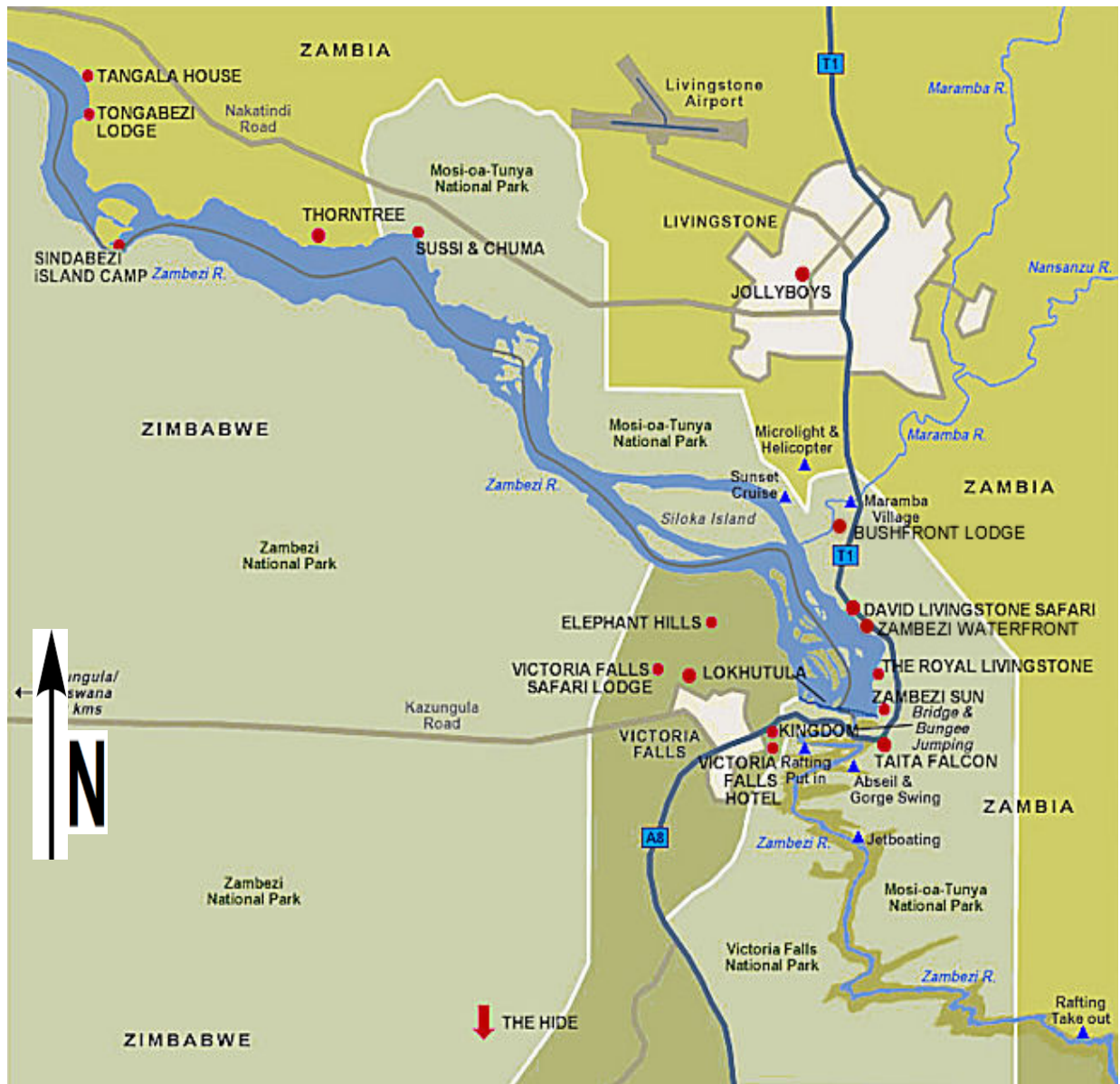

Figure 3.1: Map of the study area – Victoria Falls (Victoria Falls Tours, n.d.)

## 3.4	Research design

Research design refers to the strategic plan used to select various sources and types of information designed to answer research questions (Scott, 2014:645). It outlines data collection methods, type of instrument and analysis to be employed (Cooper & Schindler, 1998:130). Scott (2014:645) concurs with De Vaus (2001:9) that the research plan ensures that data collected answers the research questions.

This study employed a descriptive research design as it sought to determine the perceived impacts of a potential change in foreign currency pricing on accommodation establishments in a Zimbabwean town. This method is used to describe the behaviour of a population sample regarding a given phenomenon (Polit & Hungler, 1999:716). Nykiel (2007:57) is of the same view, that descriptive design is used to identify or justify current population practices. Fox and Bayat (2007:8) assert, "descriptive research sheds light on current problems and is suitable for circumstances where researchers believe that the information does not exist to solve a problem". Therefore, there is a need to examine circumstances through the collection and analysis of data, which consequently gives a satisfactory result.

This study adopted a quantitative research approach using self-administered questionnaires for data collection. According to Fox and Bayat (2007:8), the quantitative research approach uses statistical data to process, explain and summarises findings. Hoy (2010:97) and George (2011:117) noted that the numerical and factual information is analysed using mathematical methods to explain a phenomenon. The self-administered questionnaires were used to gather broad information, which revealed the trends in thought and opinions and dived deeply into the research problem. The questionnaires allowed respondents freedom and time to complete them at their own pace. The instrument used provides valid and reliable data that supports generalisations about a phenomenon under investigation. According to Golafshani (2003:598), reliability is the degree of accuracy and consistency of measurements. It also takes into consideration the accuracy of the instrument used for taking measurements. Golafshani reported that validity establishes whether the researcher is measuring the intended construct or how truthful the results are. In quantitative research, researchers determine validity by asking several questions and look for answers from the findings of other researchers.

### 3.4.1	Data collection methods

This study used both primary and secondary sources for data collection purposes. According to Business Dictionary (2017b), a primary source reveals first-hand explanation of a topic.

Primary data collection methods include the use of questionnaires, surveys or face-to-face interviews with individuals or small groups (Bryman, 2012:212). For the purpose of this study, a self-administered structured questionnaire was used. Akinkunmi (2018:15) defines a self-administered structured questionnaire as a questionnaire composed of well-structured, concise and unambiguous questions that are designed to be completed by respondents without the interference of the researcher or interviewer.

Secondary sources contain information previously researched and is publicly available in books, journals, articles, magazine, theses and the Internet, to mention a few (Cowton, 1998:423). It was crucial for the researcher to consult secondary sources as they provided background to the study and gave a broader understanding of the topic, avoided duplication of ideas, identified gaps and determined the research parameters (Kumar, 2008:32). The following section discusses the primary and secondary sources of data that were consulted for this study.

3.4.1.1   *Secondary sources*

3.4.1.1.1 *Books*

Books that covered a broad range of topics that were relevant to accommodation establishments in the tourism industry, characteristics of accommodation establishments and pricing strategies, as well as other significant aspects, were consulted. The topics included the business of tourism, concepts and strategies, management of tourism and hospitality services, modern hotel operation management and introduction to travel and marketing of tourism.

3.4.1.1.2 *Internet*

The Internet afforded the researcher access to scholarly published articles and journals on Google Scholar, different registered websites and newspaper articles. Websites such as Tourism Update, News24 and Zimbabwe Tourism Authority provided information on the cash crisis and the effects thereof, possibilities of currency change and how pricing affects the accommodation business.

3.4.1.1.3 *Journal articles*

Most journal articles consulted provided information on currency change and its effects on the economy, including accommodation establishments businesses. These journals include *Cato*

Journal, Journal of Sustainable Development, Journal of Sustainable Development in Africa, Journal of Management and Sustainability, Annals of Tourism Research and the *African Journal of Hospitality, Tourism and Leisure*.

3.4.1.1.4 Theses

Theses of Masters and Doctoral students from the Cape Peninsula University of Technology on research of a similar nature were consulted. These theses provided guidelines on the format and type of content required and enhanced understanding of the research problem and the overall topic.

3.4.1.2 Primary sources

3.4.1.2.1 Pilot Study

A pilot study is a small-scale study conducted before the intended study to test the effectiveness, validity and reliability of a particular research instrument (Veal, 2011:313). The researcher distributed six questionnaires to tourism and hospitality post-graduate students and lecturers at Cape Peninsula University of Technology. The other questionnaires were randomly emailed to four accommodation establishments in Victoria Falls. The feedback obtained covered time spent to complete the questionnaire, relevance of the questions to the research topic and objectives. Adjustments were made to improve the questionnaire based on this feedback and suggestions from the supervisor. Furthermore, the researcher familiarised herself with all the questions so that respondents could be assisted if necessary. After the pilot study, the researcher proceeded with data collection.

3.4.1.2.2 Questionnaire

According to George (2011:144), a questionnaire is a survey tool that consists of a series of questions compiled for respondents to address research objectives. Bryman and Bell (2011:203) assert that a questionnaire is effective for collecting data for descriptive studies. This study employed a self-administered and structured questionnaire containing closed-ended questions. Closed-ended questions enable respondents to choose from answers that are provided (George, 2011:114). The questionnaire contained 16 questions and was divided into five sections. The first section sought information on the profile of accommodation establishments. The questions covered type of accommodation, the number of years in operation, and the services offered as determined by the grading system. The second section

focused on pricing structure and preferences of these establishments, while the third section established the involvement of accommodation establishments in the adoption of a new currency. The fourth section investigated the impact of current currency on accommodation establishments and the last section investigated the perceived impacts of currency change. The questionnaire is attached as Appendix D.

3.5　Procedure

The researcher scheduled appointments with 63 accommodation establishments prior to data collection. The questionnaires were self-administered by management (owners or managers), while the researcher checked if all questions were answered. The self-administered questionnaires helped the researcher to gather broad information, which helped to uncover the thoughts and opinions of respondents (Dawson, 2016:126). Between 12 July and 22 July 2018, 63 questionnaires were completed. A simple random sampling method was used to distribute the questionnaires to different accommodation establishments. According to Singh and Mangat (1996), simple random sampling is the subset of individuals, a sample chosen from a larger set of population. Each individual is chosen randomly and entirely by chance such that each individual has the same probability of being chosen at any stage during the sampling process. The sample approach selected for this study is explained in the following section.

3.6　Target population and sample selection

A population is the larger group of individual persons or objects with similar characteristics from which a sample is selected to participate in the study (Kothari, 2004:41). A sample is a smaller portion of the total population whose characteristics represent the entire group and its size should be suitable to justify statistical analysis (Marshall, 1996:522).

Sample selection is a process of selecting a suitable sample of a population to determine the parameters of the whole population (Edward & Shilling, 2009:58). To determine the population, the researcher compiled a database of 75 accommodation establishments (hotels, B&B, lodges, safari camps, resorts, backpackers, guesthouses and holiday homes) indicating the name of the establishment, physical address and contact details. This database was compiled through Hotel Association of Zimbabwe (HAZ) and Zimbabwe Tourism Authority (ZTA) websites. In addition, different advertising and booking websites were used. These are Booking.com, Safari Now, Hostel World, Trivago, Expedia, Trip Advisor and Zimbabwe Tourism Authority (ZTA). According to Krejcie and Morgan (1970:608), from a population of 75

(N=75), a sample of 63 (*n*=63) respondents gives 95% confidence, therefore, 63 accommodation establishments were surveyed.

A simple random sampling method was applied since the research focuses on all accommodation types. According to Singh and Mangat (1996) in simple random sampling, every member of the population has an equal chance of participating. Simple random sampling was applied as follows for this study, firstly, a list of establishments numbered 1-75 was created. Secondly, the researcher used Stat Trek online random number generator to select the 63 establishments that participated in the study (Stat Trek, 2020).

3.7 Method of data analysis

Data collected for this study were analysed and synthesised using IBM23 SPSS software. The analysed data is presented in graphic format of tables and bar charts in Chapter Four. The outcome of the analysis and interpretation of the data was used to draw conclusions and make recommendations.

3.8 Ethical considerations

Shamoo and Resnik (2009:3) assert that governments, research institutions and the public have recognised the importance of ethics in the success of research projects. Ethical principles enhance collaboration and co-operation among parties. According to Walton (n.d.), research ethics deals with ethical issues that arise whenever people participate in research. Walton noted the following objectives of ethics in research—protecting participants, ensuring that the research serves the interest of certain individuals, groups and society, examining the soundness of research activities in terms of informed consent, the protection of confidentiality and the management of risk that could be involved in questioning.

Informed consent is more than just a signed form. It reflects the understanding of the respondents that participation is voluntarily and that they are aware of the risks and benefits of the research (Shahnazarian *et al.,* n.d.). In addition, confidentiality assures participants that information shared will not be communicated to any other person not directly involved in the study (Leadbeater *et al.*, 2006:161).

Pertaining to the ethical considerations applied in this study, the researcher obtained a letter of permission from HAZ, the body that governs accommodation establishments, to conduct the survey in the town of Victoria Falls (see Appendix B). Secondly, the opening section of the

questionnaire included declaration of anonymity stating that participation in the study is voluntary, and confidentiality in participating will be strictly maintained. In addition, the study was approved by Ethics Committee of the Faculty of Business and Management Sciences at the Cape Peninsula University of Technology (CPUT), and ratified by the Higher Degrees Committee (HDC), a committee of the Senate. The ethical clearance certificate is attached as Appendix C.

3.9   Summary

This chapter discussed in detail the research design and methodology of the study. The research questions and objectives that guided the research were highlighted. Furthermore, the background to the study area, ethical considerations, target population, sampling methods, data collection methods and data analysis methods were explained.

The findings of this study are presented in the following chapter, Chapter 4.

CHAPTER FOUR
ANALYSIS AND INTERPRETATION OF DATA

4.1   Introduction

This chapter presents the statistical analysis of data collected in this study. The analysis considers the literature review and shows the relationship between the results of previous research and the current research. In analysing the data, critical thinking was applied and the information was synthesised to bring more meaning to the results. By doing so, the researcher bridges the gap between existing and new knowledge (Ntloko, 2016:182). Furthermore, the analysis and interpretation of data in this chapter rationalises the findings of the study.

The researcher collected data from 63 accommodation establishments through administering questionnaires face-to-face to owners and managers as explained in the previous chapter. The raw data collected during the fieldwork were processed using the IBM SPSS software to analyse and interpret it. SPSS gave meaningful interpretation of the data which were presented in graphs, tables, pie charts and descriptive summaries to illustrate the findings of the study.

4.2   Accommodation establishments profiled

In ascertaining the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls, it was of paramount importance to collect data that provided an overview of the profile of accommodation establishments in this selected Zimbabwean Town. This would enable the government and various authorities to identify the different types of establishments that are likely to be affected by currency change. In addition, tourism bodies that focus on developing tourism could assess if the town has a broad enough variety of accommodation types to meet the needs of different tourist markets.

The following sections discuss the findings on designation of respondents, job duration of the respondents, types of accommodation establishments, their star grading, the operation period of the enterprise and the status of affiliation to business forums. The data were collected from owners or managers of establishments, selected because of their involvement in decision-making and daily operations. The researcher surveyed owners and managers to collect unbiased and reliable data.

4.2.1   Designation of the respondents

The findings shown in Figure 4.1 reflect that 79.4% of the respondents were managers, 12.7% were owner/managers and 7.9% were owners. It is not surprising that most establishments are managed by managers as the literature supports these results. According to de Oliveira *et al*. (2015:3), managers are more hands-on in businesses than owners are. George (2007:174) asserts that the size of the establishment determines the managerial structure. In small establishments, the owner can perform managerial duties such as managing a department, operations and employees but in medium to large establishments, the owners hire managers. Managers ensure the smooth running of the business while owners are more involved in making strategic decisions, for example, finance and future growth plans of the business. They are goal driven to ensure efficiency and effectiveness in business operations. From the above discussion, it can be deduced that hiring managers are beneficial for most of the accommodation establishments in Victoria Falls, despite the cost implications. Owner management is a cost cutting measure especially on a small-scale operation with few employees and low room occupancy rate throughout the year (Naidu & Rao, 2008:241).
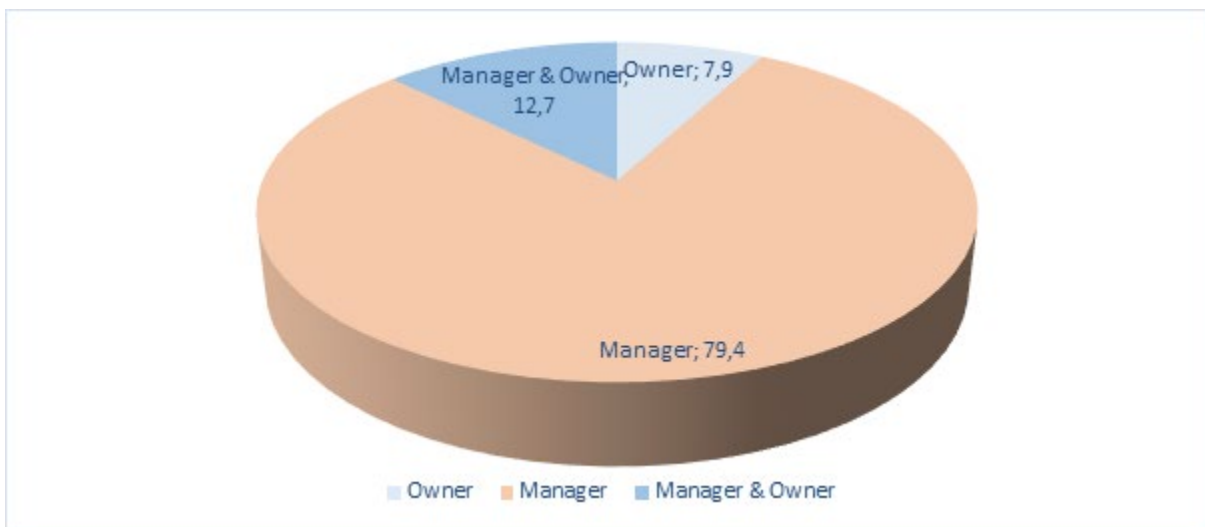
Figure 4.1: Designation of the respondents (*n*=63, in %)

4.2.2   Designation duration of the respondents

Respondents were asked to indicate how long they had been in their current positions. The results in Figure 4.2 show that 39.7% had a 2–5-year service record. A significant number (20.6%) had held their positions for 6–9 years. Interestingly, the categories of less than 6 months, 10–14 years and for more than 20 years, all reflect 9.5%. A mere 6.3% had been in their positions for 6–12 months and 4.8% had a tenure of 15–19 years.

The findings reveal that respondents who participated in the study cover a wide spectrum of the management that have previously experienced episodes of currency change and those who only implemented US$ multicurrency in their pricing. Thus, the results from these two groups of management are of paramount importance as they have different perceptions based on their experiences.
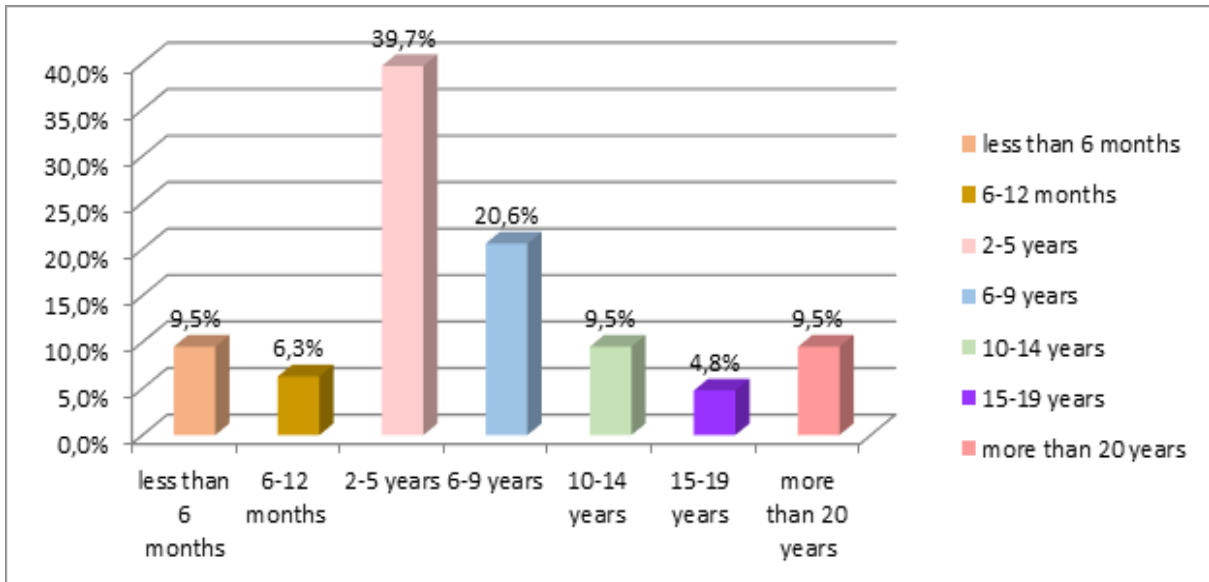
Figure 4.2: Designation duration of the respondents (*n*=63, in %)

4.2.3 Type of accommodation establishments

It was important to know what type of accommodation establishments were to be found in the town of Victoria Falls, as this is key in determining the price. To determine the accommodation offering, respondents were asked to indicate their type of establishment from a list of seven commonly found at most tourist destinations. Mensah and Mensah (2013:59) describe accommodation establishments as establishments that provide lodging facilities for tourists in return for a fee. The findings show that just over half (52.4%) are lodges (see figure 4.3). Murray (2016:127) reports that these lodges are not in essence lodges but guesthouses and B&Bs that are just named "lodges" by their owners. Drawing from these results, the owners seem to be targeting leisure travellers as the town of Victoria Falls has been founded as a recreational town. According to Rough Guides (2015:1), the town of Victoria Falls is well-known as the Adventure capital of Africa. Thus, most of the tourists who visits the town will be on leisure. This line of thought is supporting the research conducted by Makuzva (2018:79), which shows that about 90.2% of tourist travel to Victoria Falls is for holiday while 4.5% is for business.

A study conducted by Kabote *et al.* (2014:9) aver that domestic tourists have a preference of staying in lodges due to their affordability in terms of service quality, location and facilities. The high number of lodges as compared to other establishments reflects high demand and increased competition to meet the demand. Phezulu Lodge is one of the lodges which was built in 2018 to meet demand after its sister lodge (Bayete Lodge) ran out of capacity to accommodate all the bookings that were coming across to them (The Bayete Collection, 2019). While this discussion stresses on the attractiveness of lodges to the local market, it is important to note that these lodges also appeal to the regional and international markets.

B&Bs are proving to have a significant presence (15.7%) in the town. The reason for this is that some people have converted their homes to commercial premises, although some are purpose built. The high concentrations of B&Bs are found in residential areas (Murray, 2016:127). This segment of the accommodation industry primarily caters domestic market while welcoming for regional and international travellers as well. Given that both lodges and B&Bs target the domestic market, there is stiff competition, thus lodges outcompete B&Bs. Marketing approaches, price strategies implemented, location of establishments in terms of proximity to attractions and the town, appearance of the establishments, and facilities offered are some of the factors that attribute to gaining a competitive advantage.

Hotels make up 12.7% of accommodation establishments in the town of Victoria Falls. Backpackers and safari camps each represent 4.8%, limited self-catering accommodation makes up 3.2% while resorts and holiday homes both reflect 1.6%. The results illustrate the segments of accommodation industry which requires development to meet different needs of the tourist market both in low, shoulder and high seasons. The findings support Buckley (2006:418) and Murray (2016:127) who posit that the town of Victoria Falls offers a wide range of accommodation which appeals to different clientele. The impact of possible currency change will impact differently on these establishments, hence a need to assess their perceptions.

An element that influences price (grading status) is discussed in the following section.
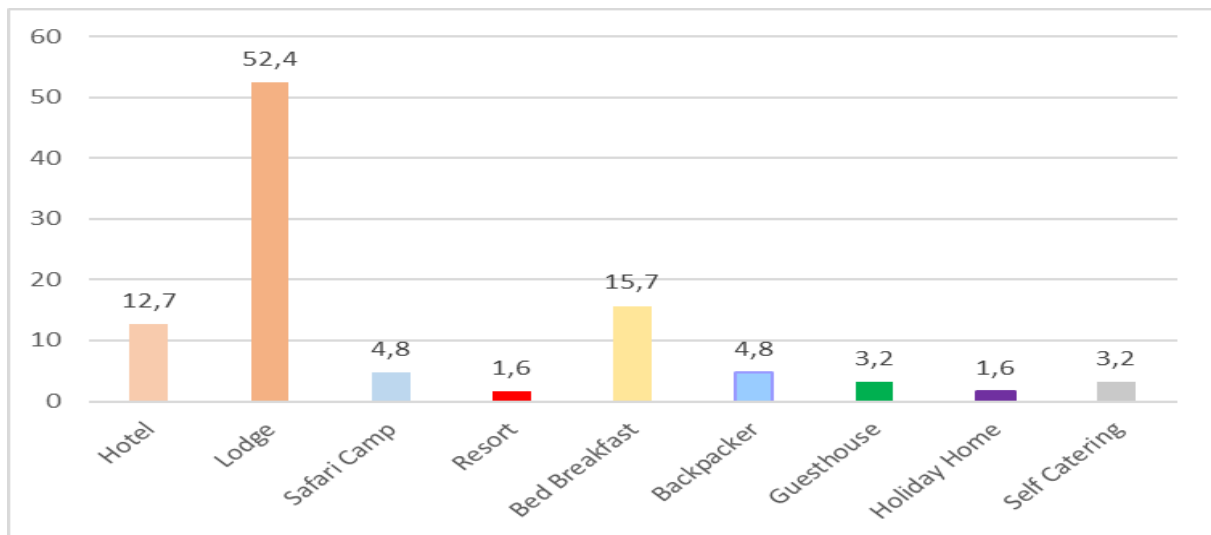
Figure 4.3: Types of accommodation establishments (*n*=63

4.2.4 Star grading of accommodation establishments

The grading system assesses the quality of facilities and services offered by accommodation establishments whereby the level of quality determines the price (Sturman *et al.*, 2011:259). To identify the level of quality offered by establishments, the respondents were asked to indicate the star grade of their establishments. The results shown in Figure 4.4 depict that most of the establishments (42.9%) were not graded. Briggs (2014:83) explained that most of the ungraded accommodation establishments target the domestic market and do not recognise international standards represented by the star grading system. Customers from the international market may opt for cheaper options, provided they meet their requirements and disposable income at the time. These local tourists and international budget travellers can make use of word of mouth on service quality, facilities, interior and exterior of establishments from family and friends who stayed at the establishments before. Also, the comments by preceding travellers on social media platforms like Trip Advisor, Facebook, Instagram and Twitter can assist in verifying and assessing the service offering. Although the grading system is highly recommended by Maphosa (2014:49), the owners/managers of establishments might strategically evaluate its importance and contribution in generating more bookings.

A considerable percentage of the accommodation establishments (19%) were graded 3-star. Briggs (2014:83) describes 3-star hotels as upmarket hotels that meet international standards. Interestingly, there was an equal number (12.7%) of 5- and 4-star graded establishments. This category of hotels is considered exclusive hotels that meet the highest standards. Those graded 2-star accounted for 11.1% while 1-star establishments made up 1.6%. Briggs (2014:83) describes these establishments as moderate, offering acceptable service and

facilities but do not fully meet international standards. Simply put, the higher the standard, the higher the price and the lower the standard, the lower the price. The findings show that the town of Victoria Falls has the most graded accommodation establishments (57.1%). According to Cai and Alaedini (2018:230), graded establishments offer standardised quality of service and facilities which are internationally recognised and enable clients to evaluate whether the services offer value for money or not. The grade must always match the perceived quality standards. However, the grading system could vary from one country to another, for example a 3-star Hotel in the US may be different from a 3-star one in Zimbabwe. The difference in physical infrastructure, exterior and interior of the establishments, range of facilities available and level of service quality can affect customer satisfaction. From the findings, different grading standards implies that there are different pricing structures that have been implemented by establishments.
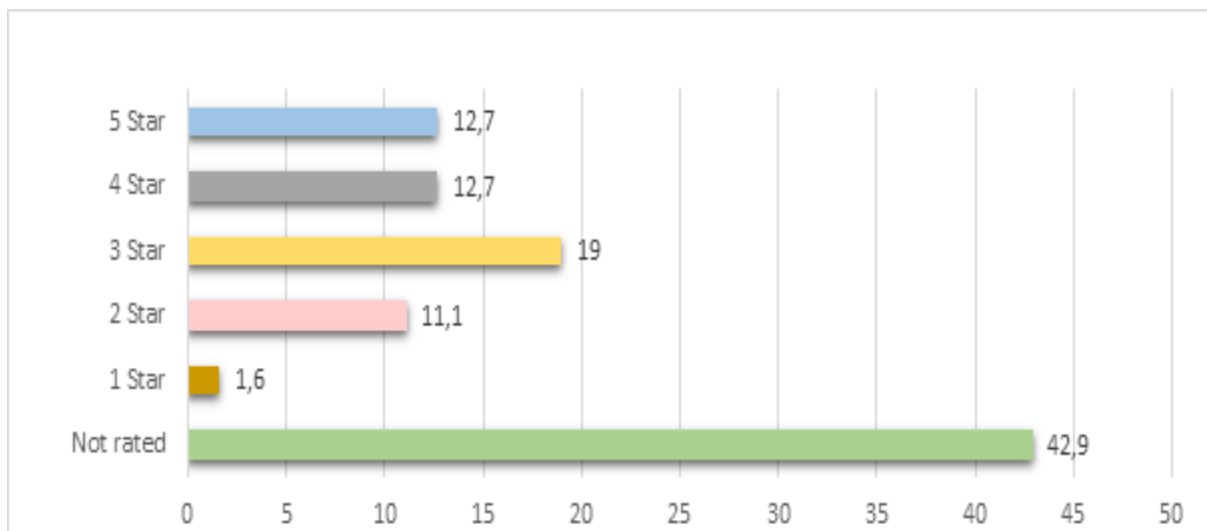
Figure 4.4: Star grade of establishments (*n*=63, in %)

4.2.5 Type of enterprise

It was important for the researcher to find out the size of establishments that participated in the study as it determines the level of economic impact in terms of job creation and contribution to GDP. According to Spenceley (2008:35), the number of employees defines the size of the establishment. Ogbor (2009:16) states that accommodation establishments are categorised into groups, being micro, which employs 1–4 employees, small with 5–10 employees, medium with 11–50 employees and lastly, large establishments that employ more than 50 employees. The results in Figure 4.5 show that 34.9% are small enterprises. These small enterprises are

lodges and as seen in Figure 4.3, lodges are the most prolific form of accommodation establishments in the town of Victoria Falls. This is evident from the cross-tabulation of the results between accommodation type and type of enterprise (see table 4.1), where 22 out of 63 accommodation establishments surveyed were small enterprises, which shows that the accommodation in Victoria Falls is mostly lodges. In small lodge operations, employing few staff could work as an effective cost cutting measure where the key staff are multi-skilled. On the other hand, the quantity of employees does not always guarantee quality, but effective training, and motivated and dedicated employees does (Brotherto & Wood, 2008:282). They are great assets usually with excellent performance which can produce loyal customers, thus yielding an establishment more bookings through word of mouth.

A significant number (27%) are medium sized, followed by large (25.4%) and lastly micro (12.7%). Medium sized and large hotels require more employees due to the nature of operations which involves the cooperation of different departments such as Front Office, Housekeeping, Food and Beverage, Engineering and Maintenance, Accounts and Credit, Security, Human Resource, Sales and Marketing and Information Technology. The bigger and busier the establishment is, the more likely it hires more employees.

The economy responds to both negative and positive impacts of currency change although various businesses are affected individually. The GDP contribution and growth of establishments is based on effective management, marketing and pricing strategies implemented by each establishment.
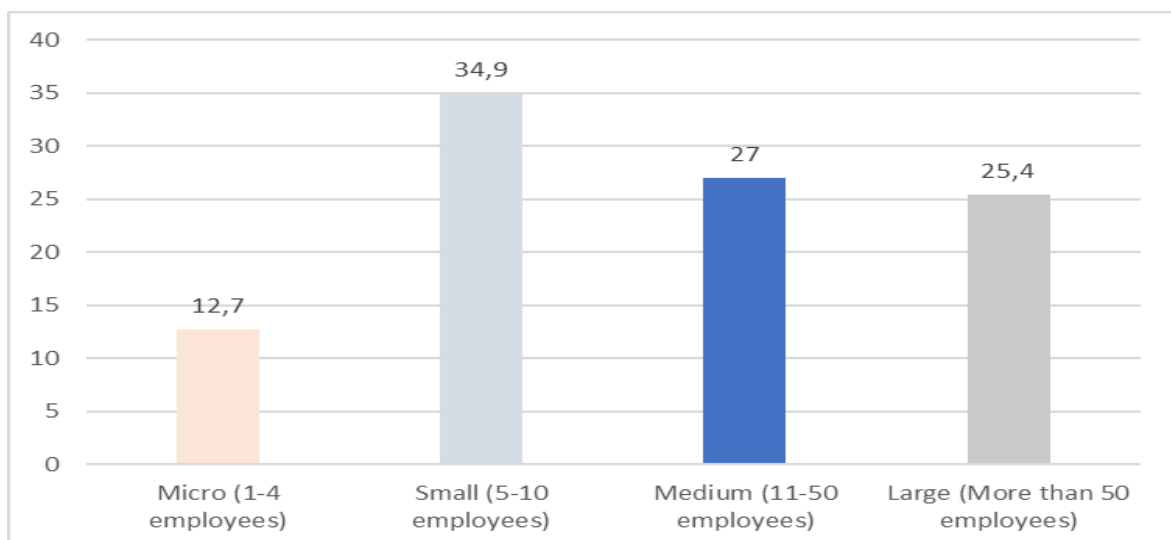
Figure 4.5: Type of enterprise (*n*=63, in %)

Table 4.1: Cross-tabulation results of the type of enterprise vs accommodation type (*n*=63)

		Accommodation Type									Total
		Hotel	Lodge	Safari camp	Resort	Bed & Breakfast	Self-catering	Guest House	Holiday home	Back-packer	
Type of enterprise	Micro	0	0	0	0	0	0	0	0	3	3
	Small	0	22	0	0	0	0	0	0	0	22
	Medium	0	11	3	1	2	0	0	0	0	17
	Large	8	0	0	0	8	2	2	1	0	21
Total		8	33	3	1	10	2	2	1	3	63

4.2.6 Operation period of the establishment

Another question asked on the profile of establishments was their period in operation. This type of data helped to identify the accommodation businesses that had previously experienced the impacts of a change in foreign currency pricing. As noted by Noko (2011:340), Zimbabwe went through several episodes of currency change due to political and economic factors. Studies conducted by various authors (Noko, 2011:340; Kabote *et al.*, 2013:33) prove that the country experienced three episodes of currency change. The first was recorded in 1965, followed by 1980 and lastly in 2009. The results in Figure 4.6 indicate that 19% are recent builds as they fall in the category of 2–5 years of operation.

These establishments did not experience the impacts of the previous currency changes. However, they are thought to be familiar with the debate around currency change. Interestingly, 14.3% have been in operation for 6–9 years and for 10–14 years. The establishments that have been in operation for 10–14 years have experienced one episode of currency change. The 11.2% that have been in operation for 15–19 years also would have gone through one episode of currency change. It is interesting to note that despite the economic changes facing the country, there are entrepreneurs who are building new accommodation establishments in this town. This is evidenced by the 7.9% of newly built establishments that have been operating for less than 6 months and 1.6% who have been in operation for 6–12 months.
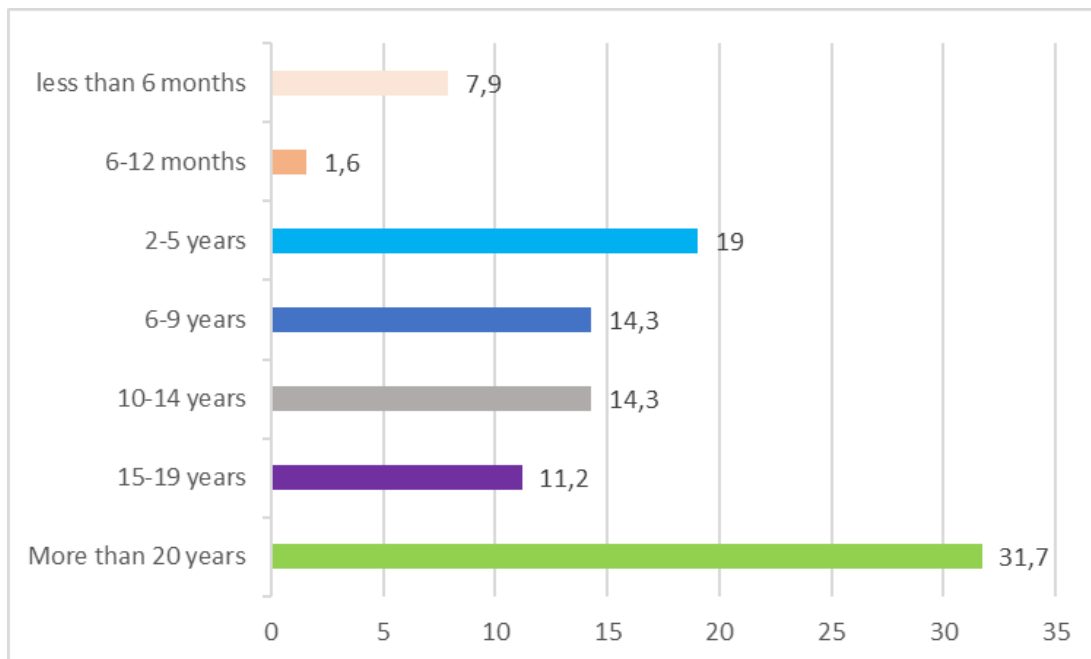
Figure 4.6: Operation period of the establishment (*n*=63)

4.2.7 Establishments affiliated to a business forum

The data for the profile of establishments was not complete without ascertaining if they were affiliated to any tourism business forum. Examples of these forums include ZTA, HAZ and the Zimbabwe Council of Tourism. These forums represent accommodation establishments when major decisions are made by the government through collaboration (HAZ, 2018). It is crucial that establishments are affiliated to any of the forums so that they are always updated with information on developments taking place in the industry. According to Dakwa (2018), it is illegal for establishments to operate without a licence from ZTA because it is responsible for registering and grading these establishments. It is however possible that a business is registered yet not affiliated with ZTA.

Respondents were asked to indicate if they were affiliated to any forum. An overwhelming majority (70%) were affiliated and 30% were not (see Figure 4.7 below). The results show that affiliation with business forums is of paramount importance to all establishments despite their target market. This is evident from the cross-tabulation of results in Table 4.2, showing the majority (45 out of 63) of the accommodation establishments surveyed were affiliated to a business forum. The researcher observed that the few establishments listed on the ZTA website and concluded that only affiliated establishments with ZTA are privileged to advertise their accommodation offering on the website. This is an added marketing advantage among other benefits, such as training and funding, and industry updates, which are channelled through the forum. In addition, forums can present the collective challenges that

establishments face to the government and a way forward will be discussed. Based on the governmental decisions and availability of resources, the challenges will be addressed. This process can be long given that establishments approach the government directly. With the stated advantages of affiliating with forums, the small number of establishments not affiliated should be acquainted of such benefits through research and development of their businesses.

Based on the findings shown in Figure 4.7, all establishments affiliated to a forum should be involved in discussions that affect their growth and profitability on a local governmental level through a forum.
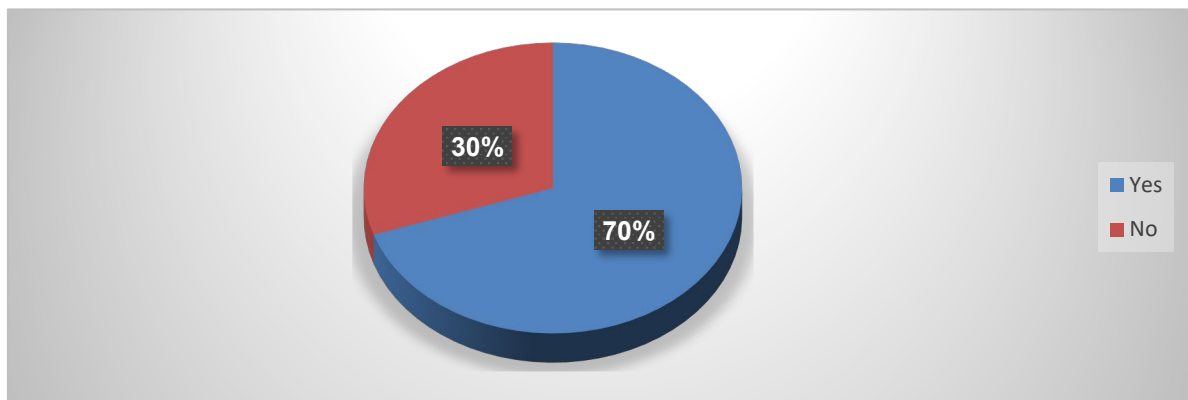
Figure 4.7: Establishments affiliated to a business forum (*n*=63, in %)

Table 4.2: Cross-tabulation results for establishments affiliated to a forum vs accommodation type (n=63)

		Accommodation Type									
		Hotel	Lodge	Safari camp	Resort	Bed and Breakfast	Self-catering	Guest House	Holiday home	Back-packer	Total
Establishments affiliated to a forum	Yes	8	33	3	1	0	0	0	0	0	45
	No	0	0	0	0	10	2	2	1	3	18
Total		8	33	3	1	10	2	2	1	3	63

4.3   Pricing structure and preference

Kokemuller (2018) defines pricing strategy or structure as "a consistent, uniform, planned approach to pricing of services to achieve business and marketing goals". According to Economic Times (2018), a pricing strategy takes into account "segments, ability to pay, market conditions, competitor actions, trade margins and input costs, amongst others. It is targeted at the defined customers and against competitors". Rao (2005:172) recommends businesses to implement a reflective pricing strategy to regenerate enough revenue to cover all expenses

and enhance business expansion, as well as to develop good relationships and loyalty with guests. As discussed earlier, the choice of currency tagged on the price influences growth, competitiveness and economic contribution of the business (Patel *et al.*, 2014:53). Therefore, it was important for the researcher to collect data on pricing structure and pricing, currency tagged on the prices/rates, key markets, currency preference and performance of establishments. The findings are presented in the following section.

4.3.1 Currency used for current pricing by accommodation establishments

After the implementation of the multicurrency regime, businesses had the right to price their services in a currency more appealing to their markets, although the US$ was declared the principal currency (Kramarenko *et al.*, 2010:3). Respondents were asked to indicate the currency they currently used for pricing their services. The overwhelming majority of the respondents (96.8%) were using US$ while only a few (3.2%) were using ZAR (see Figure 4.8 below). The reason why these currencies are used by many establishments is that US$ is stable in value while ZAR is a strong currency in southern Africa whose value fluctuates and does not depreciate (Makochekanwa, 2009:5; Noko, 2011:340). The cross-tabulation results shown in Table 4.3 indicate that 47 of the 63 accommodation establishments surveyed serve international tourists (28 serve Europeans, 15 serve Americans and 4 serve Asia). These same establishments also welcome local guests. The findings confirm that businesses can trade with any of the currencies of their choice from the multi-currency permitted by the government (Kramarenko *et al.*, 2010:3). The choice of pricing in US$ shows that the establishments have confidence in the stability of the US$ based on the positive economic benefits highlighted by (Kabote *et al.*, 2013:34).
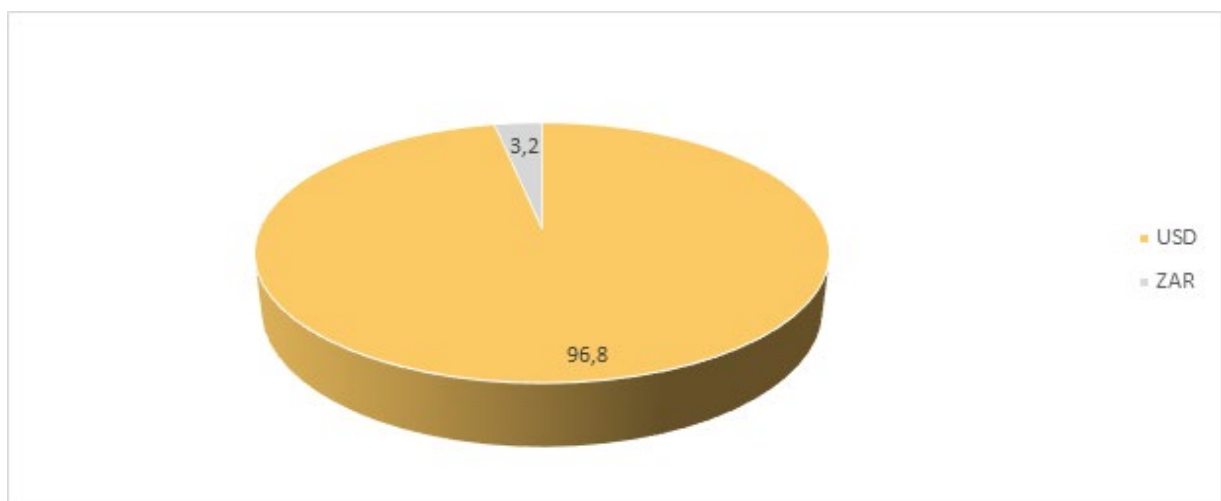
Figure 4.8: Currency used for current pricing (*n*=63, in %)

Table 4.3: Cross-tabulation results of currency used for current pricing vs key market (n=63)

		Key Market				
		African	American	European	Asian	Total
Currency used for current pricing	US$	14	15	28	4	61
	ZAR	2	0	0	0	2
Total		16	15	28	4	63

4.3.2   Establishments that have used a different currency before

Although respondents indicate that they are using US$ and ZAR for pricing, some establishments operating for more than 10 years are likely to have used a different currency before the current currency (ZAR and US$) tagged on their prices. The data in Figure 4.6 is important to determining the establishments that were affected by a previous change of currency as it indicates the operation period of the establishments. Some of the establishments operating for less than 10 years enjoyed the privilege of using any of the currencies in the multi-currency basket (ZAR, PULA, US$, Japanese Yen and Kwacha). Figure 4.9 indicates that a significant 63.5% had previously used a different currency to US$ and ZAR. These are establishments of more than 10 years in operation and had experienced a change in foreign currency pricing. A considerable number (36.5%) had not used a different currency. The reason could be that these establishments had been operating for less than 10 years, during which period no currency change occurred.

As seen in Figure 4.6, 42.8% of establishments have been operating for less than 6 months and up to 9 years. This shows that a few priced their services with more than one currency because this period falls in an era of multi-currency, before the implementation of a new currency.
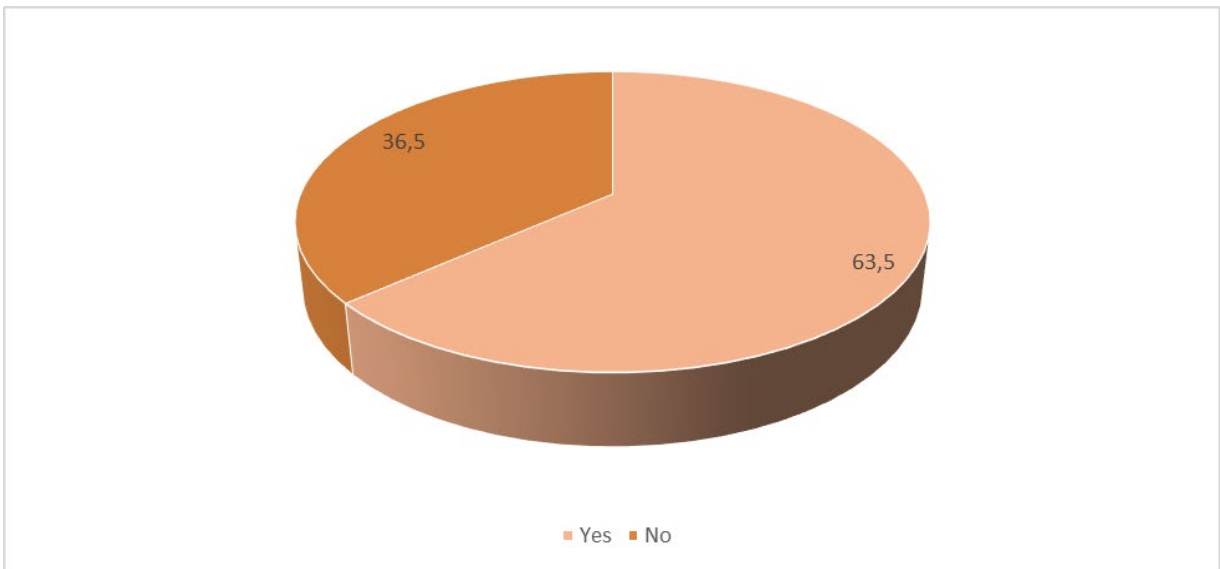
Figure 4.9: Establishments that have used different currency before (*n*=63, in %)

4.3.3   Different currency used before US$ became approved currency

After discovering that 63.5% of accommodation establishments had used a different currency before the adoption of US$ as an official currency, it was important for the researcher to determine which specific currencies were used. Interestingly, 52.4% establishments used ZW$ and 6.3% used US$ before its official approval, 3.2% used ZAR, while 1.6% used euro (see Figure 4.10 below). These findings are supported by Noko (2011:340), that Zimbabwe changed currencies three times from 1965 to date. The currencies were identified as Rhodesian Dollar, Zimbabwe Dollar and multi-currency. The multi-currency consists of ZAR, Botswana Pula (BWP), euro (€), the British Pound Sterling (£) and United States Dollar (US$). The Australian Dollar (AU$), Chinese Yuan (¥), Indian Rupee (₹) and Japanese Yen (JP¥) were later added to the multi-currency basket (Nkomazana & Niyimbanira, 2014:71). However, the US$ dominated the market and was declared the official currency although it was permissible to trade in other currencies (Kramarenko *et al.*, 2010:3). In addition, most establishments used ZW$ because that was the only official currency permitted by the government from 1980 until 2008 before the economic melt-down which led to dollarisation in 2009. The findings show that pre-dollarisation, ZW$ was a currency of preference for most establishments.
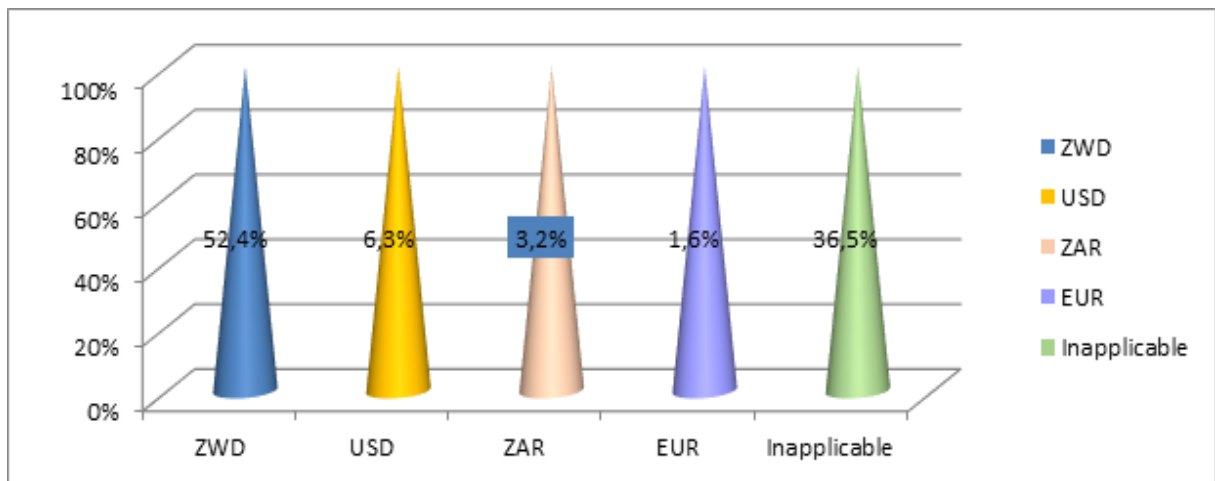
Figure 4.10: Different currency used before US$ became a chief currency (*n*=63, in %)

4.3.4　Preferred currency before adoption of the US$

After establishing the currency used by most accommodation establishments, it was important to ascertain if it was by choice to use such currencies or not. Respondents were asked to indicate their preferred currency before the adoption of the US$ as chief currency. The findings show that most establishments (61.9%) have always wanted to price their services in US$, 25.4% preferred ZW$, while 12.7% opted for ZAR (see Figure 4.11). The cross-tabulation results in Table 4.4 reveal that eight hotels and 31 lodges preferred US$ while a few of the lodges, some of the safari camps, resorts and B&Bs preferred ZAR. In addition, some B&Bs, self-catering accommodation, guest houses, holiday homes and backpackers preferred ZW$. According to (Noko, 2011:340), the choice of currency was influenced by economic factors and sovereignty. Noko (2011:355) further explains that Zimbabweans have an opinion that South Africa's economy rests on shaky ground, while Sibanda (2017) reports that locals prefer US$ as their store of value currency. It can be concluded that the desire to increase profit margins and grow their businesses influenced most establishments to choose US$ over other currencies. On the other hand, the ZW$ was preferred by a few businesses that take pride in using their own currency yet overlooking the negative economic implications, such as loss of foreign currency due decrease in international tourists and job losses resulting in low room occupancy. Lastly, a significant number of accommodation establishments chose ZAR. Some of the reasons attributed to their choice could include observing the economic stability and growth of the countries in the CMA.
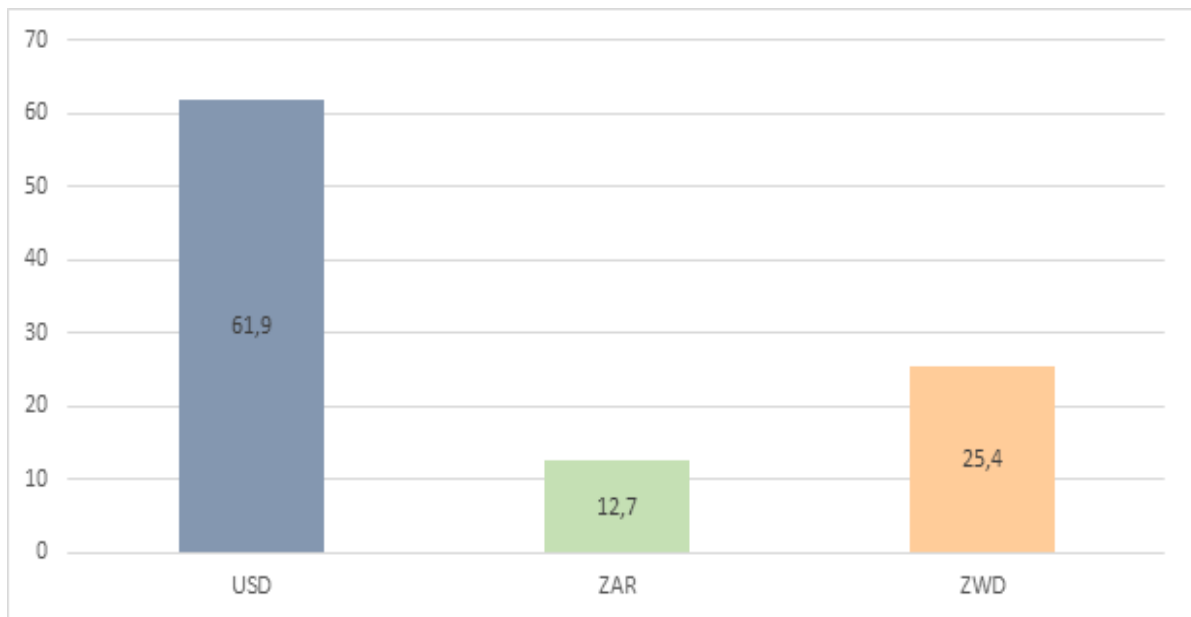
Figure 4.11: Preferred currency before the adoption of the US$ (*n*=63, in %)

Table 4.4: Cross-tabulation results of preferred currency vs accommodation type (*n*=63)

		Accommodation Type									
		Hotel	Lodge	Safari camp	Resort	B&B	Self-catering	Guest House	Holiday home	Back-packer	Total
Preferred currency	US$	8	31	0	0	0	0	0	0	0	39
	ZAR	0	2	3	1	2	0	0	0	0	8
	ZW$	0	0	0	0	8	2	2	1	3	16
Total		8	33	3	1	10	2	2	1	3	63

4.3.5   The previous performance of establishments as compared to the current - currency change influence

Figure 4.6 shows that most of accommodation establishments (57.2%) have been in operation for more than 10 years. These are some of the establishments that have used more than one currency, as discussed earlier. Figure 4.10 indicates that 63.5% have used a different currency to US$ before it was made an official currency. Therefore, it was important to investigate the performance of these businesses before currency change versus after currency change. As seen in Figure 4.12, most of the respondents (42.9%) indicated that the performance of their

businesses before the adoption of US$ was good, 14.3% report that their performance was average, while 6.3% rated it poor.

These findings are in line with the research conducted by ZTA, which shows that tourist arrivals and room occupancy was higher than the post-hyperinflation period because foreign currency had more value than the local currency. Therefore, it was affordable for regional and international tourists to travel to Zimbabwe (Muzapu & Sibanda, 2016:60). According to Makina (2010:102) Zimbabwe's economy was performing well from 1980 to 1996. There was a good record of employment creation and economic growth. Where there is employment and economic growth, citizens have more disposable income which allows them to travel. This could be the motive why performance of businesses that operated for more than 10 years was good/average. The findings show that pricing in USD has negatively affected the performance of accommodation establishments in the town of Victoria Falls.
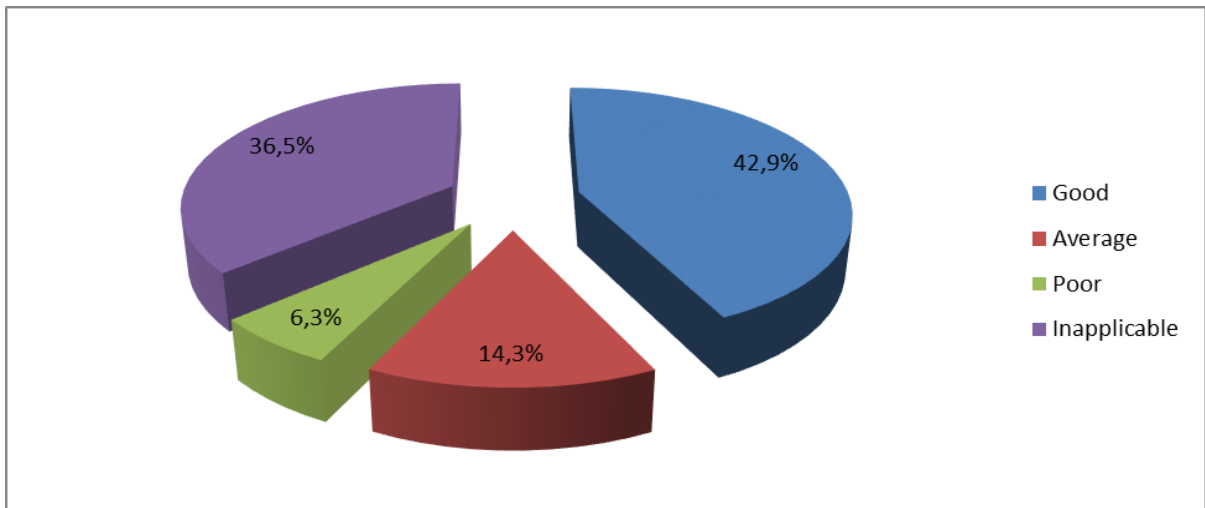
Figure 4.12: The previous performance of establishments as compared to their current – currency change influence (*n*=63, in %)

4.3.6   Preferred new currency

Sovereignty and economic factors influence the choice of currency in Zimbabwe (Noko, 2011:340). Cash shortages, economic and other political factors are stunting economic growth, which directly affects businesses and citizens. Looking at previous events that influenced the decision to change currency, there is a great possibility that Zimbabwe will adopt a new official currency, continue with reinstate the multi-currency system or reinstate the ZW$. In order to determine the preferred currency, respondents were asked what their currency of choice was. Most accommodation establishments (41.2%) preferred US$, followed by ZAR (25.5%), ZW$ (23.8%), Chinese Yen (CYN) (6.3%) and Kwacha (3.2%) (see Figure 4.13). These findings

show that most businesses are happy with the current multi-currency system dominated by US$. Thus, the most preferred currencies are US$, ZAR, ZW$. According to Makochekanwa (2009:5), the adoption of multi-currency removed hyperinflation, as discussed earlier. Kramarenko *et al.* (2010:3) are of the view that the multi-currency regime brought greater transparency in pricing. Pricing of all commodities, including accommodation and tourism services, became stable and predictable. Therefore, businesses could plan their development. Planning ahead is vital in the accommodation business and most businesses calculate their prices two years in advance
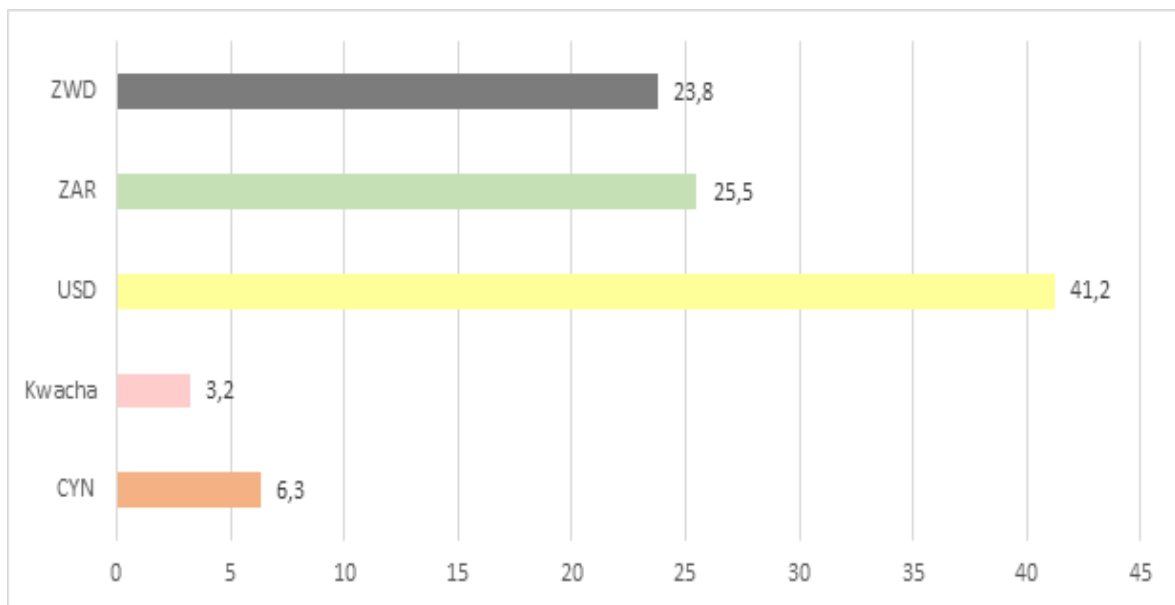
Figure 4.13: Preferred new currency (*n*=63, in %)

4.3.7 Pricing strategy

The results of the pricing strategies of various establishments are shown in Figure 4.14. Discussions in Chapter Two explained the relationship between currency and pricing. The pricing of commodities and services is affected by the currency tagged (Patel *et al.*, 2014:53). Prices quoted in stronger currencies look cheaper than those quoted in weaker currencies, although in most cases it is equal in value. The choice of currency and the right pricing strategy determine whether the business achieves its growth and marketing goals (George, 2011:307).

Respondents were asked to indicate their pricing strategies. Most establishments (44.4%) used penetration pricing. This pricing strategy is mainly implemented for the purpose of gaining market share for a new product or increased market share when the competition is fierce and the product lacks unique features (Fyall & Garrod, 2005:113; Hirschey, 2009:565; Rajagopal,

2013:7). The existing literature supports the findings shown in Figure 4.6, that 42.8% of the establishments have been operating for less than 10 years and in Figure 4.3 that the majority (52.4%) of establishments are lodges. A considerable number (34.9%) implemented premium pricing. According to George (2011:308), luxury establishments that position themselves at the upper end of the market and target elite clients insensitive to price, commonly use this pricing strategy. This school of thought is in line with the findings shown in Figure 4.4 that show that 25.4% are 4- and 5-star hotels. Rao (2009:32) points out that businesses whose aim is to create the perception of high quality can implement premium pricing. Only 15.9% of establishments used bundle pricing while 4.8% used the skimming strategy. The cross-tabulation results shown in Table 4.5 are in congruence with the above as 20 lodges out of 63 accommodation establishments (total population) use penetration pricing, while 13 lodges and 8 hotels mainly use premium pricing. The premium pricing strategy is favoured by only a few B&Bs (5 out of 63). The findings show that the penetration and premium pricing structures are widely implemented by the accommodation establishments in the town of Victoria Falls, with a few practicing skimming and bundle pricing.
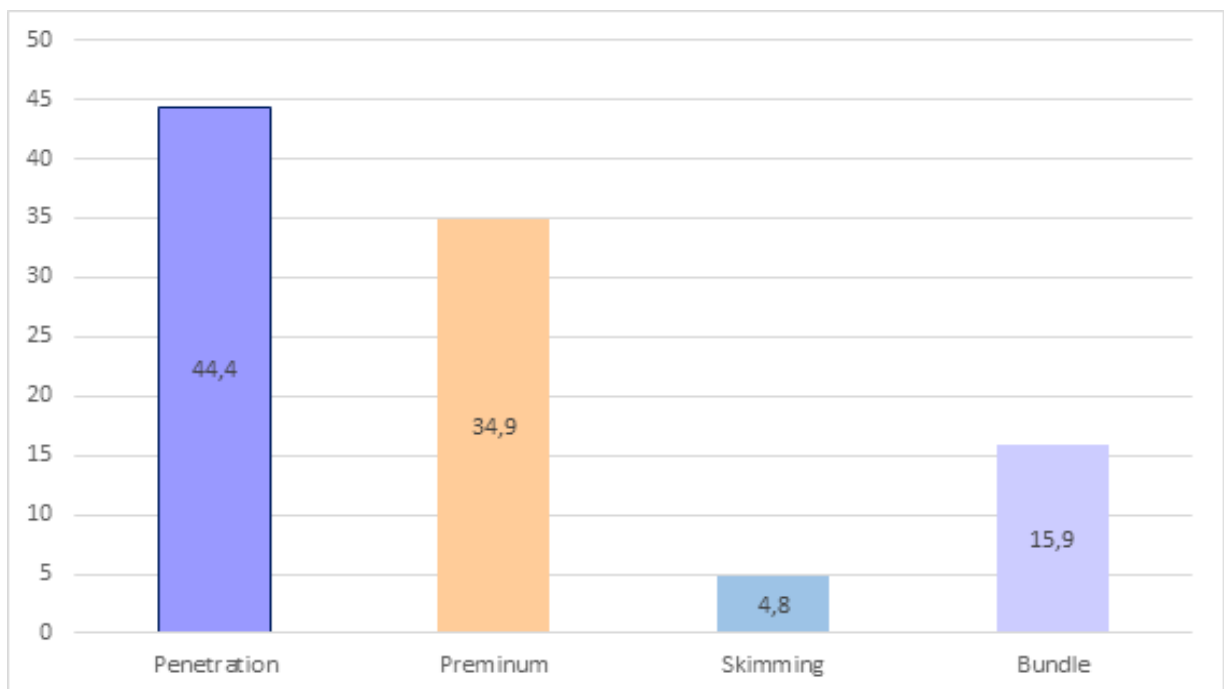
Figure 4.14: Pricing strategy (*n*=63, in %)

Table 4.5: Cross-tabulation results of the pricing strategy vs accommodation type (*n*=63)

		Hotel	Lodge	Safari camp	Resort	B&B	Self-catering	Guest House	Holiday home	Back-packer	Total
					Accommodation Type						
Pricing Strategy	**Penetration**	0	20	0	0	0	0	0	0	0	20
	Premium	8	13	3	1	5	0	0	0	0	30
	Skimming	0	0	0	0	3	0	0	0	0	3
	Bundle	0	0	0	0	2	2	2	1	3	10
Total		8	33	3	1	10	2	2	1	3	63

4.3.8   Key markets served

Identifying key markets helps in recognising different currencies used by tourists visiting the town of Victoria Falls. Some currencies are stronger and have greater value than others. Tourist with stronger currencies expect to spend less money when they visit destinations with weaker currencies, especially most of the destinations in Southern Africa. Tourists determine value for money based on the value of their currency and the quality of service. Mehta (2000:57) defines value of money as the amount of service which can be bought by a unit of money.

Most countries with strong currencies have a good infrastructure and offer good service in general. Tourists from these nations expect the same level of service quality where the service costs the same in comparison to their countries of origin. Since most establishments in the town of Victoria Falls price their services in US$ (see Figure 4.8), it was important to find out the key market of the destination. Most respondents (44.4%) indicated that their key market was Europe (see Figure 4.15). The findings correspond with Vinga (2018) who states that Europe is Zimbabwe's traditional key source market. Historically, European nationals such as David Livingstone and Cecil John Rhodes contributed a lot to tourism in Victoria Falls due to their efforts in constructing the Victoria Falls Bridge and discovery of the majestic Victoria Falls waterfall (Siyabona Africa, 2018). Many Europeans could be attracted to Victoria Falls in order to witness and experience the legacy of their ancestors. Despite the latter, it is important to note that there are different factors that lure tourists to a destination. While the assessment of value for money is an underlying factor for most travellers, the uniqueness of a product offering in a destination should not be underestimated.

A significant 25.4% of respondents indicated that their key market is Africa, 23.8% indicated that America is their key market, while 6.3% indicated Asia. Given that most establishments price their products in US$, most African and Asian currencies are weaker. Therefore, they can opt to visit other destinations which offer closely related experiences like South Africa which has one of the 7 Natural Wonders while enjoying value for money. The findings show that most of the tourists visiting the town of Victoria Falls are from Europe, followed by Africa, America and lastly Asia. The cross-tabulation results in Table 4.6 show that European and African tourists make use of lodges, B&Bs and other establishments while American tourists stay mostly in hotels and lodges. More so, an interesting finding from this study shows that the choice of pricing in a particular foreign currency influences the markets attracted to a destination (see Table 4.3).
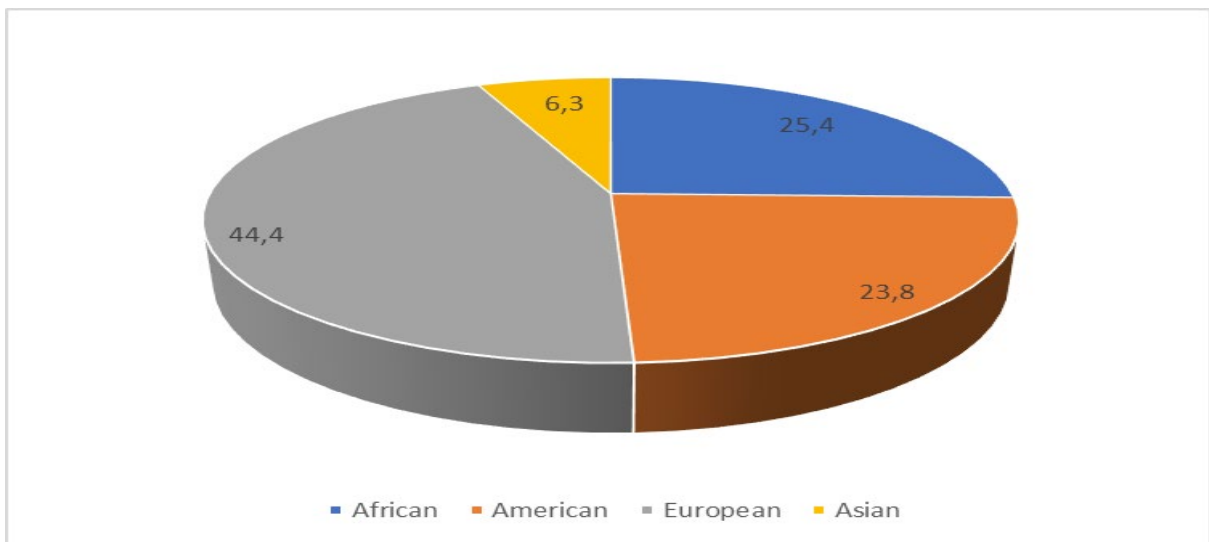
Figure 4.15: Key markets served (*n*=63, in %)

Table 4.6: Cross-tabulation results of key market vs accommodation type (*n*=63)

		Accommodation Type									
		Hotel	Lodge	Safari camp	Resort	B & B	Self-catering	Guest House	Holiday home	Back-packer	Total
Key Market	African	0	8	0	0	4	4	0	0	0	16
	American	8	7	0	0	0	0	0	0	0	15
	European	0	10	3	1	10	2	2	0	0	28
	Asian	0	0	0	0	0	0	0	1	3	4
Total		8	25	3	1	14	6	2	1	3	63

4.4 Involvement of accommodation establishments in the adoption of a new currency

This research implemented the collaboration theory as discussed earlier. Gray (1989:5) defines collaboration as:

> ...a process through which parties who see different aspects of a problem can constructively explore their differences and search for solutions that go beyond their own limited vision of what is possible.

This theory is ideal in bringing the stakeholders (government, public sector, accommodation sector and private sector) together so that they can deliver the best possible decision on the potential currency, which can lead to competitive pricing of accommodation services. The researcher collected data on the involvement of accommodation establishments in the discussions of adopting a new currency. The following sections discuss this aspect.

4.4.1 Government value of the accommodation sector

The Ministry of Tourism and Hospitality, led by Minister Priscah Mupfumira, which oversees the tourism industry and accommodation through ZTA and HAZ, is evidence that the government values the accommodation sector. When respondents were asked if the government values the accommodation sector, an overwhelming majority (77.8%) agreed, while only 22.2% disagreed that the government values the accommodation sector in the economy (see Figure 4.16). From the results in Figure 4.7, which indicate that 70% of the establishments were affiliated to a forum, it can be concluded that being affiliated to a forum had benefits as the government could reach out and engage with the establishments through these forums. The cross-tabulation results shown in Table 4.7 show that 44 out 63 accommodation establishments were affiliated and also agree that the government values the accommodation sector. Interestingly, five unaffiliated establishments share the same view.

The interpretation to these findings can be attributed to the ability of the government to address previous challenges that the sector encountered. As supported by Abel and Le Roux (2017:133), tourism and accommodation sectors are major economic players in Zimbabwe contributing to job creation, foreign currency generation and indirect economic benefits like training and skills acquisition. The authors further highlight that the government invests large sums of money in infrastructure development, marketing and security to enhance the competitiveness of Zimbabwe as a tourist destination. Their findings are in line with the

research results of this study that the government of Zimbabwe value the accommodation sector. Also, the study emphasises collaboration of stakeholders in decision-making, thus it is important for the government to take into consideration the views of representatives from accommodation in the discussions of a possible currency change in Zimbabwe.
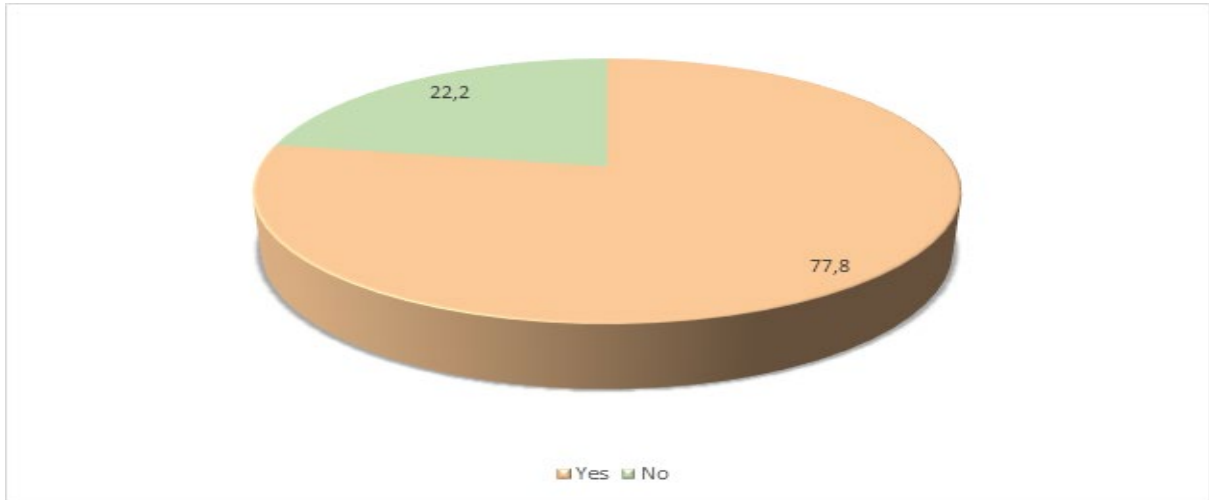
Figure 4.16: Government value of the accommodation sector (*n*=63, in %)

Table 4.7: Cross-tabulation results of government values accommodation sector vs establishments affiliated to a forum (*n*=63)

		Establishments affiliated to a forum		
		Yes	No	Total
Government values accommodation sector	**Yes**	44	5	49
	No	0	14	14
Total		44	19	63

4.4.2 Establishments involved in the discussion of currency change prior adoption of US$

The respondents were asked if they were involved in the discussion of adopting the US$. Figure 4.17 reflects that an overwhelming majority (92.1%) were not involved in the discussions while 7.9% acknowledged their involvement through workshops. This shows that the government did not consult widely with the establishments when this decision was taken. The cross-tabulation results in Table 4.8 show that only five out of 44 affiliated establishments were involved in the discussion of currency change. As supported by Jamal and Getz (1995:188), the decision-making process for sustainable development involves all key stakeholders. It is

important to collaborate with all stakeholders because there is no single stakeholder that can make a decision on behalf of other stakeholders to attain sustainable development. After the country suffered hyperinflation which led to the abandonment of the ZW$, the economy was dollarised with the US$ (Chitambara, 2009).
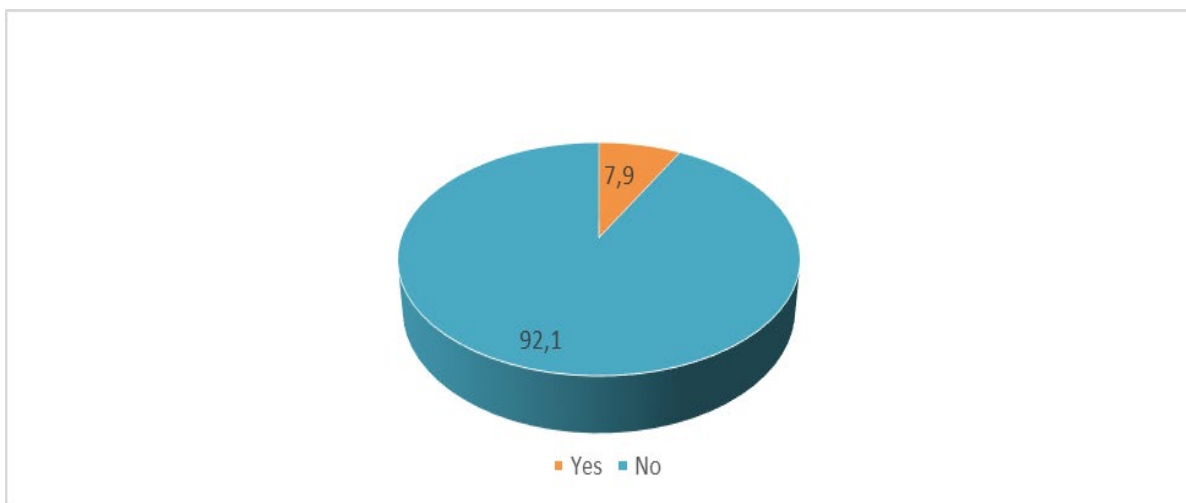
Figure 4.17: Establishments involved in the discussion of adopting US$ (*n*=63, in %)

Table 4.8: Cross-tabulation results establishments involved in the discussion of adopting US$ vs establishments affiliated to a forum (*n*=63)

		Establishments affiliated to a forum		
		Yes	No	Total
Establishments involved in the discussion of adopting US$	Yes	5	0	5
	No	39	19	58
Total		44	19	63

4.4.3 Reasons for not participating in the discussions prior adoption of US$

The results in Figure 4.17 show that most of the respondents (92.1%) were not involved in discussions on adopting the US$. When asked what the reasons for not participating were, almost half of the respondents (49.2%) said they were not invited, 34.9% indicated that there was no platform created by the government to discuss and a few establishments (3.2%) did not have time to attend (see Table 4.9 below). According to Tosun and Timothy (2001:357–358), political culture and how the public administration is run results in unfair service delivery and dishonesty in decision-making, which might have also discouraged the involvement of respondents. Phanumat *et al.* (2015:917) encourage collaboration when making decisions

because it sets a balance between government and businesses with traditional power and communities, employees and tourists who have to live with the outcome of decisions made. The findings show a need for the government to encourage involvement and participation of accommodation establishments when a major economic decision such as currency change is taken. In doing this, creation of multi-stakeholder platforms is encouraged.

Table 4.9: Reasons for not participating in the discussions (*n*=58, in %)

Reason	Percentage
Have not been invited	49.2
There was no platform created by the government to discuss	34.9
Did not have time to attend	3.2
There was no value in attending such discussions	0
Not applicable (respondents did not provide an answer)	4.8

4.4.4 Awareness of the participation of other accommodation establishments on currency change prior adoption of US$

Although the results in Table 4.9 show that the government was responsible for the absence of most of establishments at currency change discussions, it was crucial to ask if respondents were aware of the participation of other establishments. As reflected in Figure 4.18, it was interesting to note that an overwhelming majority (88.9%) indicated that they were not aware, while only 11.1% were aware. Those who were aware might have known about the participation of others through forums to which they are affiliated. The latter assertions can be drawn from the cross-tabulation results in Table 4.10, showing seven of the 44 establishments affiliated were aware of the participation of other establishments in the discussions of currency change. The percentage of those aware of participation of other establishments is slightly higher than those who highlighted that they are involved in discussions as reflected in Figure 4.17 above. This could be due to wrong assumptions and misinformation. The findings show that only a few establishments were involved in the discussion of a potential change in foreign currency pricing, however, it is unclear how those who participated were chosen.
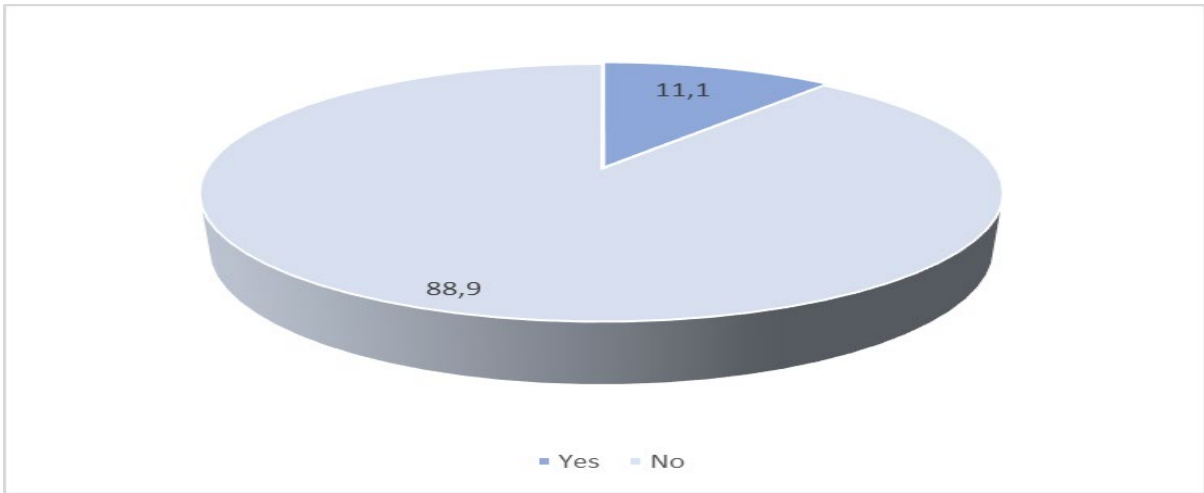
Figure 4.18: Participation of other accommodation establishments (*n*=63, in %)

Table 4.10: Cross-tabulation results of awareness of other participating establishments vs establishments affiliated to a forum (*n*=63)

		Establishments affiliated to a forum		
		Yes	**No**	**Total**
Awareness of participation of other establishments	**Yes**	7	0	7
	No	37	19	56
Total		44	19	63

4.4.5   Rating the previous government's engagement with accommodation establishments

The level of involvement of establishments in currency change discussions shown in Figure 4.18 describes the extent to which the government engaged them concerning the previous adoption of the US$/multi-currency. The results show that they were involved to a lesser extent. These results are in line with the findings depicted in Figure 4.19, which show that the previous government's engagement with the accommodation sector was very poor to poor (71.5%), while a few (28.5%) indicating that the engagement was good to very good.
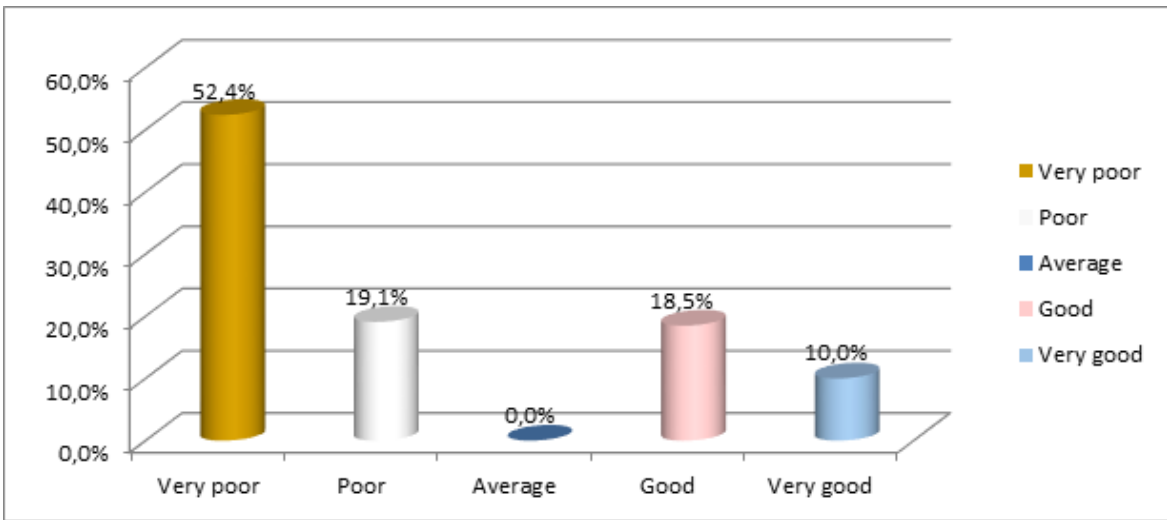
Figure 4.19: Previous government's engagement with establishments (*n*=63, in %)

4.4.6 Awareness of the current currency change discussions

Since the new dispensation led by President Emmerson Mnangagwa, many tourism businesses anticipate positive change which works in their favour to grow their businesses (Mdzungairi, 2018). The change includes their contribution towards the decision-making of a new currency. To discover more information in this regard, respondents were asked if they were aware of the current currency change discussions held in the country. Just over half (55.6%) of respondents were unaware, while 44.4% were aware (see Figure 4.20). The findings show that the new government has not yet fully addressed the issue of stakeholder collaboration in decision-making. However, there seem to be strides being made in creating awareness as compared to previous government engagement (refer to Figure 4.19).
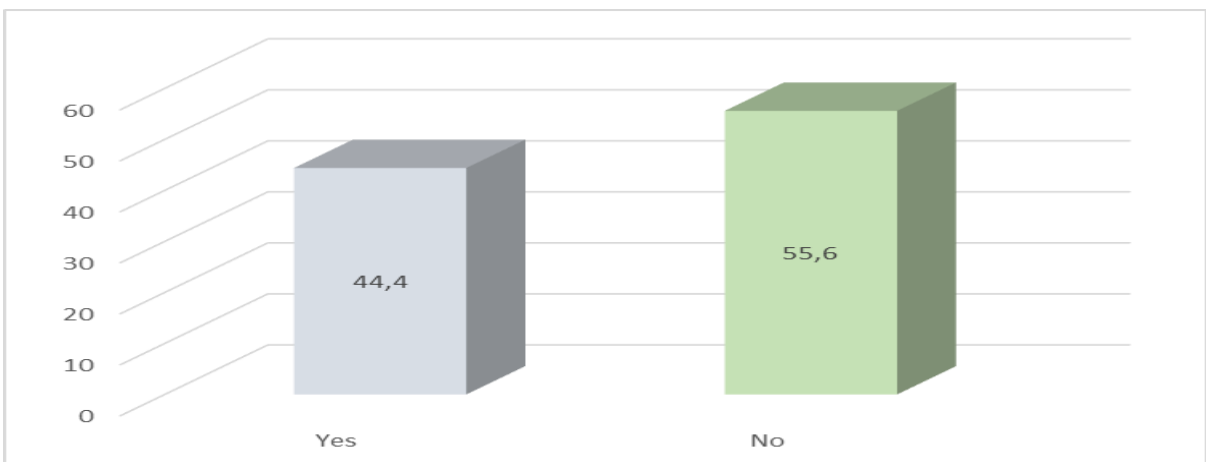
Figure 4.20: Awareness of current currency change discussions (*n*=63, in %)

4.4.7 Involvement in the current currency change discussions

Since 44.4% indicated that they were aware of the currency change discussions taking place in the country, as shown in Figure 4.20, it was crucial for the researcher to find out if these respondents participated in any of the discussions. Figure 4.21 shows that a surprising 31.7% did not take part in the discussions and only 12.7% did. From these results, it is clear that awareness does not translate to participation, as argued by (Ntloko, 2016). The chi-square (X^2) test was conducted on the involvement of accommodation establishments in the discussion of currency change before adopting the US$ as Zimbabwe's currency and during the current currency change discussions. This was done in order to ascertain if the difference on the statements was significant or not. The probability obtained in this regard was $p < 0.000$, indicating that there was a significant difference between the involvement in discussions before US$ was made an official currency and during the current discussions (See Appendix E). This change could be attributed to different policies regarding accommodation businesses' growth that different governments implemented. In an instance where the p value is less than 0.05 (X^2 = $\rho < 0.05$), the statistical difference is noted as significant, and where X^2 = $\rho > 0.05$ the difference is noted as being insignificant.

Further, a chi-square test was carried to test statistical significance relationship between awareness and involvement of accommodation establishments in the current currency change discussions and a significance difference ($p < 0.000$) was revealed (See Appendix E). The results show that more establishments were likely to be involved in the discussions if they were aware. The reasons why they were not involved are discussed in the following section.
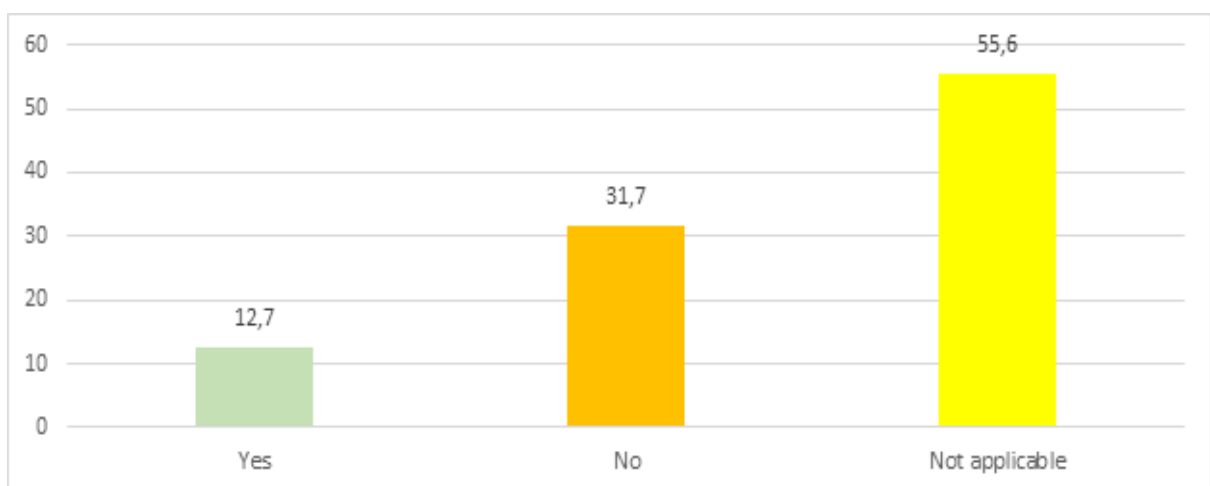
Figure 4.21: Involvement in the current currency change discussions (*n*=63, in %)

4.4.8   Reasons for not participating in the current currency change discussions

Respondents were asked to indicate why they were not involved in the current currency change discussions after the new government came to power. The majority (20.6%) indicated that they were not invited with 11.1 % indicated that there was no platform created by the government to discuss (refer to Table 4.11). The findings show that despite the change in government leadership, establishments are not afforded equal opportunities to contribute towards choosing the new currency.

Table 4.11: Reasons for not participating in the current currency change discussions (n=20, in %)

Reason	Percentage
Have not been invited	20.6
There was no platform created by the government to discuss	11.1
Did not have time to attend	0
There was no value in attending such discussions	0

It was important for the researcher to test the significance difference on reasons for not participating in the currency change discussion during the previous regime led by late President Robert Mugabe (see Table 4.9) and during the current regime led by President Mnangagwa (see Table 4.11). These results are shown in Table 4.12 below for easy reference. The significance test results are explained in the following section.

Table 4.12: Reasons for not participating in the discussions during previous and current regime.

Reasons for not participating during the previous regime (*n*=58, in %)	Percentage	Reasons for not participating in the current regime (*n*=20, in %)	Percentage
Reasons	Percentage	Reasons	Percentage
Have not been invited	49.2	Have not been invited	20.6
There was no platform created by the government to discuss	34.9	There was no platform created by the government to discuss	11.1
Did not have time to attend	3.2	Did not have time to attend	0
Not applicable (respondents did not provide an answer)	4.8	There was no value in attending such discussions	0

The results of the chi-square (X²) test (see Appendix E, Table 3) show that the reasons for not participating in the discussion is a constant, therefore, no statistics were computed, indicating the absence of variation, meaning that the statistical difference is insignificant. This could be

attributed to the same reasons highlighted by the respondents for not participating in different eras (Mugabe and Mnangagwa eras).

4.4.9 In favour of the government changing the currency

Cash crisis and pricing services in US$ has affected accommodation establishment business and the growth of the entire economy (Chinamasa, 2016:129; Machingura, 2016; News24, 2016; UK Government, 2018). For this reason, the newly appointed Minister of Finance, Dr Mthuli Ncube, when interviewed by a local newspaper, stated that adopting ZAR is a good idea. However, due to the current cash crisis the government needs to remove bond notes and let the ZAR become the core currency. Nevertheless, Zimbabwe's domestic currency should be brought back over time (The Zimbabwe Mail, 2018). Respondents were asked if they were in favour of the government changing the currency. As reflected in Figure 4.22, the majority of respondents (63%) agreed while 37% disagreed with the question.
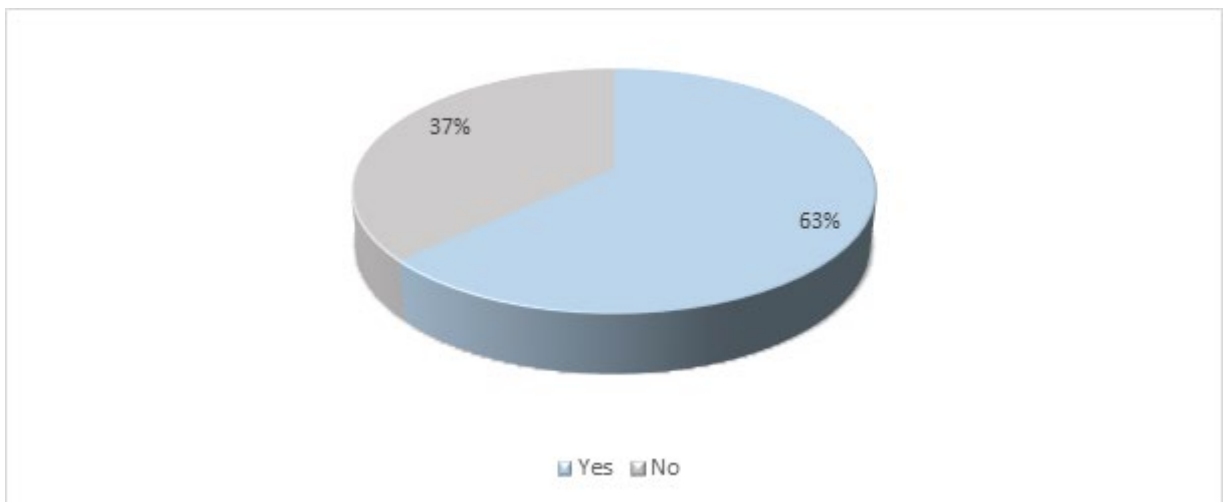
Figure 4.22: In favour of the government changing the currency (*n*=63, in %)

The impacts of pricing in US$ are discussed in the following section.

4.5 Impacts of current currency on accommodation business

The impact of the current currency on accommodation business is depicted in Table 4.13.

According to Muzapu and Sibanda (2016:60), accommodation in Zimbabwe's tourism centres is too expensive. Nyaruwata and Runyowa (2017:4) add that service providers have implemented the high inflation period pricing where high margins are the norm. High prices shorten tourists' length of stay (Macheka, 2015). Other impacts have been noted as the cash

crisis, deteriorating hotel infrastructure and facilities, and poor service quality (Mpofu & Chitura, 2015:1; Moyo, 2016; Muzapu & Sibanda, 2016:60). To understand the impact of the current foreign currency pricing, respondents were asked to indicate their level of agreement with different statements made by the researcher, using a Likert scale. Most respondents (71.4%) agreed or strongly agreed that pricing their services in US$ enhances price stability, while 11.1% disagreed or strongly disagreed and 17.5% remained neutral. The results are in line with Makochekanwa (2009:5) and Kramarenko *et al.* (2010:3) who report that adoption of US$ currency halted hyperinflation and brought greater transparency in pricing.

In response to the statement "Accommodation is expensive compared to neighbouring countries", most of the respondents (71.4%) agreed or strongly agreed with the statement, while a few (12.7%) disagreed or strongly disagreed and 15.9% remained neutral. The findings are supported by Nyaruwata and Runyowa (2017:4), indicating that tourists are taking holidays in countries like South Africa, Botswana, Mozambique and Zambia where the exchange rate between their currencies and local currencies (Rand, Pula, Kwacha and Meticals) give them greater value for money. In line with the findings, Mupanedemo (2016) highlighted that Zimbabwe remains an expensive tourist destination, especially in the resort town of Victoria Falls. These results suggest that accommodation establishments are aware that they are charging exorbitant prices.

Despite being an expensive destination, Nyaruwata and Runyowa (2017:4) assert that tourists are paying a lot for the Third World product. Muzapu and Sibanda (2016:60) found that accommodation in Zimbabwe is less competitive in terms of quality and price when compared to neighbouring countries. To find out more on the statement of accommodation being less competitive compared to neighbouring countries, over half of the respondents (54.5%) disagreed or strongly disagreed with the statement, 33.3% agreed or strongly agreed, while 22.2% remained neutral. The results do not correspond with the literature. This could be influenced by the feedback they receive from guests, some who may be visiting Southern Africa for the first time with their trips starting in Victoria Falls. They may be in essence aware of their factual level of competitiveness in comparison to neighbouring countries.

Investigating further the impacts of the current foreign currency pricing, a statement "Pricing in US$ attracts more tourists" was posed. Interestingly, 41.3% disagreed or strongly disagreed with the statement and a similar number (39.7%) agreed or strongly agreed, while 19% remained neutral. It is clear from the findings that pricing in US$ is a disadvantage to businesses as a great number of respondents disagreed and others remained neutral. These mixed findings are in line with the assertion made by Rusike and Chitambara (2012:5) and Muzapu and Sibanda (2016:6) that the use of US$ contributed to the profitability and growth

of accommodation establishments, however, the businesses did not operate at their full capacity.

Since the literature regarding pricing was concerning, respondents were asked to indicate their level of agreement on the statement "Pricing in US$ shortens the duration of tourists' stay". Most of the respondents (44.5%) agreed or strongly agreed, 38.1% disagreed or strongly disagreed, while 17.5% remained neutral. The findings are in line with the results of Makuzva (2018:126) that pricing in US$ shortens the stay of tourists because the price charged on accommodation is very high due to government taxes and the value of currency tagged on the price. Despite businesses not operating at their full capacity, Macheka (2015) reported that pricing charged in US$ per night is high, thereby shortening the length of stay of tourists.

As mentioned in Chapter Two, there is a shortage of US$ in the country's banks and ATMs. Respondents were asked to indicate if cash withdrawal restrictions limit the stay of tourists because of cash shortages in banks and ATMs. The majority of the respondents (65.1%) agreed or strongly agreed, 28.6% disagreed or strongly disagreed, while 7.9 % remained neutral. The findings are in line with Moyo (2016) that economic hardships and cash shortages have attributed to a reduction in hotel bookings.

There are several factors that might have attributed to the reduction in hotel bookings. Therefore, it was important for the researcher to ascertain if the respondents were offering quality service that offers great value for money. In response to the statement, "Clients enjoy value for money by staying with us", a significant 60.4% agreed or strongly agreed, 28.6% disagreed or strongly disagreed and 12.7% remained neutral. According to Mehta (2000:57), value for money is the amount of services which can be bought by a unit of money. This definition can have different meanings to businesses and tourists. Tourists seeks to get quality service equivalent to the value of their currency, while businesses are more concerned with making profit in the prevailing economic conditions. The findings show that most of the accommodation establishments' services offer value for money, despite not all of them being graded as shown in Figure 4.4.

Regardless of the economic challenges facing the country, the researcher observed that many businesses are seeking growth opportunities, renovating their establishments to meet international standards, as well as marketing to both international and domestic tourists. Forecasting profitability and ability to penetrate new markets is vital for such businesses. In a statement "The forecast for future business looks positive if the US$ remains unchanged", most of the respondents (41.2%) agreed or strongly agreed, with 28.6% disagreed or strongly disagreed, while 30.2% remained neutral. The results show that many businesses have

confidence in the stability of the value of US$ which allows them to plan without fear of inflation despite the high level of uncertainty indicated. Thus, if the new foreign currency is adopted or ZW$ is reintroduced, it is difficult to determine its strength and stability over a short period. Therefore, the profitability and growth of businesses is questionable and not guaranteed.

Although most respondents indicated that their businesses will do well if the US$ remains unchanged, the issue of the cash crisis should not be overlooked. In response to the statement "Business is not affected by the shortage of US$ in banks and ATMs", an overwhelming majority (82.5%) disagreed or strongly disagreed with this statement, 11.1% agreed to strongly agreed, while 6.3% remained neutral. Moyo (2016) posits that tourists conduct about 80% of their business in cash. Therefore, the absence of cash prevents them from engaging in activities, which might end up defying the purpose of their visit. This could result in some tourists not travelling. As noted by Makuzva (2018:25), accommodation is one of the tourism elements that tourists consider before they travel. Other elements include accessibility, activities, attractions and facilities. The combination of these elements is vital in creating a memorable experience.

From an operations point of view, the establishments use of plastic money for all petty expenses like buying food, cleaning detergents and stationery. Respondents were asked to indicate their level of agreement on the statement "Substitution of cash payments with electronic payments for local transactions helps them to operate smoothly on a daily basis". Over half of the respondents (55.5%) agreed or strongly agreed, 27% disagreed or strongly disagreed and 17.5% remained neutral. The results show that most businesses rely on plastic money to pay for all daily expenses that need cash. To a related statement, "The use of point of sale machines makes it possible for international clients to pay for accommodation", the majority of the respondents (71.4%) agreed or strongly agreed, 14.2% disagreed or strongly disagreed and 14.3% remained neutral. This means that most of the establishments do not have problems in collecting money from their clients, which is in turn used for daily operations. Results revealed earlier in this section show that most of the respondents believe that their services offer value for money. It was important for the researcher to find out their thoughts on the price of their services. To the statement "Clients perceive accommodation as expensive", interestingly, the majority of the respondents (65.1%) agreed or strongly agreed, 17.4% disagreed or strongly disagreed and 17.5% remained neutral. The findings reveal that respondents are aware of charging high prices. However, this is beyond their control as they are trying to make a profit. Mupanedemo (2016) argued that it is extremely expensive to run an accommodation establishment in Zimbabwe due to charges like levies, rates, taxes, and licences. In the same article, it was highlighted that there are 23 levies that need to be paid for by the lodge or hotel before they can operate. Mukuzva 2018:124) report that the high prices

are the main element disliked by many tourists. The author explain that some tourists do not mind paying high prices, but the experience must be exceptional.

Table 4.13: Impacts of current currency on accommodation business (*n*=63, in %)

Statements	Level of agreement				
	SD	D	N	A	SA
Pricing our services in US$ enhances price stability	4.8	6.3	17.5	27	44.4
Accommodation is expensive compared to neighbouring countries	7.9	4.8	15.9	34.9	36.5
Accommodation is less competitive compared to neighbouring countries	14.3	30.2	22.2	20.6	12.7
Pricing in US$ attracts more tourists	14.3	27	19	22.2	17.5
Pricing in US$ shortens the duration of tourists stay	15.9	22.2	17.5	30.2	14.3
Cash withdrawal restriction limits the stay of tourists as a result of cash shortage in banks and ATMs	11.1	15.9	7.9	27	38.1
Clients enjoy value for money by staying with us	9.5	17.5	12.7	30.2	30.2
The forecast for future business looks positive if the US$ remains the unchanged	11.1	17.5	30.2	20.6	30.2
Business is not affected by the shortage of US$ in banks and ATMs	50.8	31.7	6.3	4.8	6.3
Substitution of cash payments with electronic payments for local transactions helps us to operate smoothly on daily basis	17.5	9.5	17.5	36.5	19
The use Point of Sale Machines makes it possible for international clients to pay for accommodation	6.3	7.9	14.3	47.6	23.8
Clients perceive accommodation as expensive	6.3	11.1	17.5	39.7	25.4

4.6   Perceived impacts of currency change on accommodation establishments

Previous reports and research by several authors (Rusike & Chitambara, 2012:5; Chinamasa, 2016; Muzapu & Sibanda, 2016:60) show that the cash crisis is a threat to business and economy growth. Therefore, it was suggested by many organisations, in and outside the country, that currency change would be the best solution. Noko (2011:354) and Sibanda (2017) believe that ZAR should be Zimbabwe's chief currency because South Africa is Zimbabwe's biggest trading partner. The newly appointed Minister of finance, Dr Mthuli Ncube, also believes that adopting ZAR is a good idea (The Zimbabwe Mail, 2018). With discussions being held in the country concerning currency change, it was important for the researcher to find out more on what is perceived to be impacts of a potential change in foreign currency on

accommodation businesses. Seven statements were put forward and respondents indicated their level of agreement using a Likert scale.

The following section discusses the findings on the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls. The results are shown in Table 4.14.

The first statement was "Currency change will attract many international tourists". Surprisingly, there were mixed responses as 41.3% disagreed or strongly disagreed, 36.5% agreed or strongly agreed and 22.2% remained neutral on the statement. These results reflect an element of uncertainty on the possibility that currency change would attract many visitors. It could also be that most respondents are aware that accommodation is expensive, yet they also believe that pricing their accommodation in US$ enhances price stability and profitability.

The second statement was "Changing pricing to a different currency will grow the regional and domestic market". Just over half of the respondents (50.8%) agreed or strongly agreed, 27% disagreed or strongly disagreed, while 22.2% remained neutral. The findings show that respondents believe that pricing services in a different currency will attract more regional and domestic tourists to Victoria Falls. Mupanedemo (2016) reports that many tourists from South Africa, which is one of Zimbabwe's biggest source markets, prefer to have their holiday within South Africa or go to other countries due to the depreciation of ZAR against the US$. Tourists spend money on food, transport, activities and visiting different attractions, which are charged in US$. This makes a holiday in Victoria Falls far more expensive than other destinations in the Southern Africa region whose currency has less value than the US$. The high prices charged scare away regional and domestic tourists.

The third statement was "Tourists will stay longer if accommodation and other tourism services are priced in a different currency". Most respondents (47.6%) agreed or strongly agreed, 30.2% disagreed or strongly disagreed and 22.2% remained neutral. The findings show that tourists are likely to stay longer if the new currency is introduced. These findings correspond with Macheka (2015) who indicates that the rate charged in US$ per night is high, which shortens tourists' length of stay.

The fourth statement posed was "My business will compete equally with other accommodation establishments in the southern African region". Over half of the respondents (50.2%) agreed or strongly agreed, 28.5% disagreed or strongly disagreed, while 14.3% remained neutral. The results indicate that accommodation establishments are aware that their services are of a lower standard compared to those offered by other establishments in Southern Africa. The reason

could be deteriorating service quality and facilities (Mpofu & Chitura, 2015:1). Muzapu and Sibanda (2016:60) add that accommodation in Zimbabwe is less competitive in terms of quality and price in comparison to South Africa, Zambia and Botswana (Muzapu & Sibanda, 2016:60).

The fifth statement was "Currency change will guarantee tourists value for money". The majority of respondents (46%) agreed or strongly agreed, 30.2% disagreed or strongly disagreed and 23.8% remained neutral. From the results, it is clear that accommodation in Victoria Falls offers value for money to a moderate extent.

The sixth statement was "Change of currency will tackle current cash crisis problems". Most of the respondents (46 %) agreed or strongly agreed with the statement, while 22.2% disagreed or strongly disagreed and 31.7% remained neutral. The results show that most of the respondents believe that change of currency will tackle cash crisis problems although some have mixed feelings about it.

The last statement was "The change of currency will be the best solution for my business". A considerable number (36.5%) agreed or strongly agreed, while 30.2 % disagreed or strongly disagreed and 33.3% remained neutral. There were mixed responses to the statement. The reason could be that the US$ is well known as a stable currency. Furthermore, the positive impact of getting rid of inflation was witnessed by many, yet shortages of US$ has become a big threat to economy and business growth.

Table 4.14: Perceived impacts of currency change on accommodation establishments (*n*=63, in %)

Statements	Level of agreement				
	SD	D	N	A	SA
Currency change will attract many international tourists	28.6	12.7	22.2	9.5	27
Changing pricing to a different currency will grow the regional and domestic market	14.3	12.7	22.2	22.2	28.6
Tourists will stay longer if accommodation and other tourism services are priced in a different currency	30.2	15.9	2 2.2	20.6	27
My business will compete equally with others accommodation establishments in the Southern African region.	12.7	15.8	14.3	27	30.2
Currency change will guarantee tourists value for money	12.7	17.5	23.8	22.2	23.8
Change of currency will tackle current cash crisis problems	9.5	12.7	31.7	23.8	22.2
The change of currency will be the best solution for my business	14.3	15.9	33.3	9.5	27

4.7   Summary

This chapter presented an analysis of the findings on the perceived impacts of possible currency change on accommodation establishments in the selected Zimbabwean town of Victoria Falls. This was executed taking into consideration the research questions and objectives which guided the study. The analysis was conducted on data collected from survey questionnaires administered face-to-face on owners/managers of accommodation establishments in Victoria Falls.

From the analysis presented in this chapter, recommendations and conclusions are presented in the final chapter, Chapter Five.

CHAPTER FIVE
CONCLUSIONS AND RECOMMENDATIONS

5.1   Introduction

The study investigated the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls in Zimbabwe. The previous chapter presented an analysis and discussion of the findings generated from the data collected during fieldwork. This last chapter summarises the study, drawing conclusions from the results and makes recommendations to the stakeholders (directly and indirectly) involved. Additionally, future research on the importance of collaboration in decision-making to ensure sustainable growth and profitability of accommodation establishments is suggested. The objectives of the study are stated again as crucial in the development of conclusions and in assessing if the study objectives have been met.

These objectives were:

i.   To determine the current pricing structure among the accommodation establishments in the town of Victoria Falls;

ii.   To determine the involvement of accommodation establishments in the discussion of possible currency change in Zimbabwe;

iii.   To determine the preferred currency by the accommodation establishments in the town of Victoria Falls;

iv.   To ascertain the impact of current currency on accommodation establishments in the town of Victoria Falls; and

v.   To ascertain the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls.

5.2   Concluding on the objectives

The conclusions on each of the objectives are presented in this section.

5.2.1 Conclusion for objective 1

The study met the first objective, which aimed to determine the current pricing structure among accommodation establishments in the town of Victoria Falls. The findings reveal that penetration pricing has been implemented by the majority of the establishments, followed by premium pricing. It was evident that only a few establishments use a bundle and skimming pricing strategy.

Just over half of the accommodation establishments in Victoria Falls are lodges. The study concludes that two pricing structures (penetration pricing and premium pricing) are commonly used by accommodation establishments in Victoria Falls. These two pricing strategies are implemented by businesses that have differences in the stages of growth in the product life cycle, the level of quality of service offered to guests, the target market, and marketing and business growth goals. It is therefore clear that Victoria Falls as a tourist destination offers a variety of accommodation in terms of quality and affordability that appeals to both price sensitive and insensitive tourists. Premium pricing has been implemented by luxury establishments that position themselves at the upper end of the market and target elite clients who are price insensitive. The luxury establishments are those rated 4- or 5-star and that offer quality service. On the other hand, penetration pricing has been implemented by the newly built establishments and lodges that are operating in a market where competition is very high and the product lacks unique features.

From the conclusion above, it is evident that price cannot be disassociated from the markets as they influence each other. The literature demonstrates a link between price and markets (Mark, 2004:28; Dwyer *et al*., 2010:79). It also emerged that the three markets considered to be the key markets by the respondents are Europe, America and Africa. The researcher believes that premium pricing targets European and American tourists who originate from developed countries whose currencies are strong and they are more concerned with the quality of service. On the other hand, penetration pricing targets African tourists whose currencies are weak compared to the US$. Therefore, low prices encourage more bookings and length of stay, thereby promoting domestic tourism.

5.2.2   Conclusion for objective 2

The study met the second objective, which aimed at determining the involvement of accommodation establishments in the discussion of possible currency change in Zimbabwe. In assessing this objective, pre- and current President Mnangagwa perspectives were ascertained from the participants. The results show that during the Mugabe regime only a few accommodation establishments were involved in the discussions to adopt the multi-currency/US$ as a chief currency and that 92.1% did not take part. Table 4.9 shows that these establishments were not involved because no invitation was extended to them, while some revealed that there was no platform created by the government for them to discuss. Interestingly, as the country is likely to face another episode of currency change under the new government, the findings reveal that 87.3% of the respondents were not involved in the discussions of possible current currency change due to the same reasons indicated above, in addition to lack of awareness of such discussions taking place as shown in Figure 4.20.

The study concludes that accommodation establishments in Victoria Falls do not have equal opportunities to participate in decision-making at both local and national government levels. This policy has been in place since the Mugabe regime. This is evident in Figure 4.17 which shows that 92.1% did not participate when US$ was made an official currency. Furthermore, the previous government's engagement with accommodation establishments been very poor to poor, as shown in Figure 4.19.

Although the findings in Figure 4.16 reveal that 77.8% of respondents expressed that government values the accommodation sector in the economy, the new government led by President Emmerson Mnangagwa is operating under the same policy of giving only a few establishments access to decision-making through collaboration. Figure 4.21 reflects that only 12.7% participated while 31.7% did not take part in the recent discussions of currency change and 55.6% were unaware of such discussions.

Generally, this objective revealed a low level of involvement by the accommodation establishments in discussing the possible currency change in Zimbabwe—past and current government. On issues of this magnitude such as the currency change, more stakeholder engagement is imperative.

5.2.3 Conclusion for objective 3

The study met the third objective, which aimed to determine the preferred currency of accommodation establishments in the town of Victoria Falls. This objective sought to establish whether the participants are happy with the current currency, and if not, which currency they preferred. The study was conducted before the Zimbabwean government decided to stop the use of multi-currency, hence, the meaning of current currency refers to the US$ as opposed to the recent ZW$, which was recently introduced in July 2019. In the order of preference, the findings revealed US$, ZAR, ZW$, CYN and Kwacha amongst the preferred currencies, with the first three currencies dominating and the last two currencies considered by very few.

The study concludes that accommodation establishments prefer the multi-currency system dominated by the US$. In other words, they prefer that the US$ be considered as the main currency. In line with the findings on this objective, the three currencies (US$, ZAR and ZW$) have been always given preference before the official dollarisation of the economy, highlighting four different currencies (ZW$, US$, ZAR and euro) that were used before the multi-currency system was officially implemented. At this time, the performance of the establishments was good to average compared to the time the research was conducted, when many respondents highlighted poor to average performance. The negative performance of establishments can therefore be attributed to factors like the cash crisis and political instability because the same currencies currently used yielded better results before the US$ became Zimbabwe's official currency in 2009.

5.2.4 Conclusion for objective 4

The study met the fourth objective, which aimed at ascertaining the impact of current currency on accommodation establishments in the town of Victoria Falls. In line with the key findings, which reflected that pricing in US$ enhances price stability, accommodation is expensive and less competitive compared to neighbouring countries, which scares tourists away and shortens their stay. Shortage of US$ is also perceived as contributing factor in the drop in accommodation bookings, which affects tourist spend in the destination.

The study concludes that the use of US$ as an official currency benefits accommodation business to a lesser extent, although it might be viewed as of great benefit to the economy overall. Victoria Falls is losing potential guests at accommodation establishments to neighbouring countries like Botswana, Zambia and South Africa. The reasons are that the accommodation is more competitive in terms of the quality of service and facilities, price (the

accommodation is charged in local currencies) and there is always cash available in ATMs and banks for tourists to draw if they require cash.

5.2.5 Conclusion for objective 5

The study met the fifth objective, aimed at ascertaining the perceived impacts of possible currency change on the accommodation establishments in Victoria Falls. There were mixed reactions on the impacts of currency change on the accommodation establishments, as respondents were not certain if the currency change would attract many international tourists. However, there is a strong belief that it can grow the regional and domestic tourist markets, allowing establishments to compete equally with the rest in the southern African region and tourists staying longer. Additionally, currency change will guarantee tourists value for money and tackle cash problems. However, it takes more than just currency change to grow accommodation businesses and yield more profit in a sustainable way. The study concludes that currency change is somewhat beneficial to accommodation business. The major concern will be the surety of the stability in value of the new currency despite addressing the cash crisis and high prices charged.

5.3 Recommendations

This section presents recommendations derived from the findings of the research discussed in Chapter 4. These recommendations will assist ZTA and HAZ to develop a framework on how to promote sustainable growth and profitability of accommodation establishments, despite prevailing economic conditions, to maximise their economic impact through contribution towards GDP and employment creation. In addition, the study contributes to the existing literature on the importance of decision-making through collaboration in sustainable tourism development of a destination – specific focus on currency change discussion. It also contributes to the existing literature on the impacts of dollarisation on accommodation businesses in Zimbabwe.

5.3.1 Compulsory grading of accommodation establishments

Grading of accommodation establishments assesses the quality of facilities of a tourist accommodation based on predetermined standards which aims to inform tourists of what to expect in terms of quality (Beaver, 2005:6). The level of rating communicates the degree of service and the quality of facilities offered which determines the price. For example, a 1-star

hotel offers limited facilities and lower quality of service than a 5-star establishment. This means a 1-star accommodation establishment charges lower prices than a 5-star graded establishment. The grading system is internationally recognised and accepted. Thus, both international and domestic tourists are well informed of the level of service and type of facilities to except for the price charged. Grading benefits establishments in the sense that clients can define and determine whether the service offers value for money or not. It is highly recommended that accommodation establishments thrive to offer excellent services despite the level of grading. The town of Victoria Falls benefits from grading in the sense that it contributes towards building an image of a destination that offers accommodation establishments with reputable reliable quality of service and facilities. The Zimbabwe Tourism Authority responsible for grading accommodation establishments should drive this process in consultation with the affected establishments.

5.3.2   Implementation of competitive pricing

Competitive pricing entails setting the price at the same level as competitors. This structure relies on the knowledge that competitors have thoroughly worked their pricing. The pricing for accommodation establishments should be benchmarked with the prices charged in South Africa, Zambia and Botswana. South Africa is home to one of the seven modern wonders of the world (Table Mountain), Zambia shares the Victoria Falls (one of the seven wonders of the world) with the town of Victoria Falls, tourists can stay in Zambia or Botswana and visit Victoria Falls for day visits. Competitive pricing is important such that the town of Victoria Falls will not lose her tourist to these destinations. Although competitive pricing may result in increased market share, it does not take into consideration economic conditions and operational cost. This means that if not carefully implemented it can negatively affect the turnover of the business. The reason for implementing the competitive pricing is to get rid of high prices which tourists are not happy with as highlighted by (Muzapu & Sibanda, 2016:60). It is important to note that the implementation of this recommendation is related to that one cited 5.3.1.

Two main factors influencing high prices are the strong value of currency used to charge accommodation and high taxes charged by the government. The government should consider revising these taxes and come with a favourable currency that enhances competitive pricing. Despite the respondents citing US$ as the preferred chief currency, most recent debates suggest ZAR as an option to consider. As noted by Noko (2011:354) Zimbabwe should adopt ZAR as its chief currency. The researcher believes that this currency will enable competitive pricing. Sibanda (2017) support this suggestion.

The newly appointed Minister of Finance, Dr Mthuli Ncube, stated that adopting ZAR is a good idea although there are other options to explore (The Zimbabwe Mail, 2018). Nyahasha (2019) reported that Strive Masiyiwa, a prominent businessman, supports the idea of pricing the goods and services in ZAR. According to the former Minister of Finance, Tendai Biti, adopting ZAR as its chief currency is one of the fundamental reforms needed to restore economic stability in the country (Biti, 2019). The new electronic currency (RTGS) introduced by the government late February 2019 is losing value and feared to lead the country to another episode of hyperinflation (Nyahasha, 2019). This currency has been introduced as a temporary reference currency amid US$ cash shortages. The senior reporter of a local newspaper Kazunga (2019) reported that Minister of finance Dr Mthuli Ncube highlighted that this currency has a short life span as the new fully-fledged currency will be available within a period of 12 months (Kazunga, 2019). Since South Africa is Zimbabwe's biggest trading partner, ZAR is the best currency for the revival of Zimbabwe's economy said Biti (2019).

5.3.3   Creation of multi-stakeholder platforms for engagement

Platforms for stakeholder engagement are crucial in tourism development of a destination. According to Ntloko and Swart (2016:3), multi-stakeholder platforms for engagement bring relevant stakeholders affected by an issue (possible currency change) together. They provide appropriate basis for stakeholder participation, collaboration and cooperation (Watkins & Bell, 2002; Aas *et al*., 2005). However, Ntloko & Swart (2016) posit participation of all stakeholders from various sectors for a common purpose as a challenging task. In such cases, Ntloko and Swart (2016:3) accentuate that investing in planning for stakeholder engagement remains critical to sustainable tourism development; therefore, it is worthy every resource and effort. Emphasising on availing platforms for stakeholder participation, Gutierrez *et al.* (2005) ascertain that opportunities should be made available for stakeholders to interrelate and communicate objectives among themselves. In addition, Hall (2008) underscores that despite the number of stakeholders (small or large) involved in discussions, these platforms should always be provided. The government of Zimbabwe should create engagement platforms for multi-stakeholders aiming at discussing possible currency change where there is effective participation enhanced by integrated and coordinated planning. This could be through workshops or smaller group discussions.

5.3.4   Decision-making through collaboration

Collaboration is a process whereby different parties who see a problem from different angles can constructively explore their differences and find solutions that exceed their own limited

version of what is possible (Gray, 1989:5). Stakeholders amalgamate to achieve certain goals, which are likely to be unattainable individually. The government facilitates the process and makes concluding remarks on final decisions. The government should engage all accommodation establishments and other sectors affected by cash shortages so that they can discuss the way forward on currency change and deliver the best possible decision on the potential currency, which can lead to competitive pricing of accommodation services. Bada (2018) states that there are three main sectors that contributes to GDP in Zimbabwe (mining, agriculture and service industries). Tourism and accommodation fall under the service industry.

The government should meet representatives from these sectors. It is recommended that representatives from these sectors need to engage with government and air their views and thoughts regarding their preferred currency. For example, a representative from the service industry should ensure that the views of all accommodation are heard regarding how the current currency is affecting their business and the currency they wish to implement. It is important to collaborate with them and take note of their views as this contributes towards sustainable growth and development of these establishments.

5.4   Limitations of the study

The research included few a questions linked to government's role in growing accommodation establishments. Some respondents brought it to the researcher's attention that these questions were political. This might have affected their response in fear of previous events of political unrest which took place in the country. Some establishments expressed concern that the research might have been linked to a political party or ruling government despite that it was clearly stated that the research is for academic purposes only. The fear of being arrested, or having the business taken from them might have influenced their answers on these questions. Another limitation of the study was limited literature on the adoption of new currency, cash shortages, the impacts of cash shortages on accommodation businesses and measures that have been put in place. The researcher relied extensively on Internet articles from Fin24, Chronicles, Herald Zimbabwe and The Standard newspaper.

5.5   Future research direction

The study contributed towards existing literature on the effect of dollarisation on the accommodation establishments. Dollarisation is one of the episodes of currency change the country has gone through. The economic crisis currently taking place is adversely affected by

cash shortages, hence there is a possibility to adopt a new currency. Interestingly, the establishments are happy with US$ due to its potential of removing inflation and enhancing price stability. It is important that when the new currency is adopted future research investigates if the perceptions expressed in this study correspond with the actual impacts.

This study provided a foundation for academic literature on the impacts of cash shortages on accommodation businesses. Due to unpredictable economic factors, it is important to keep track of whether the same problem will be experienced when a new currency is adopted.

The study revealed that very few accommodation establishments have access to local and national decision-making through collaboration. Future studies should investigate if the other components of tourism industry (transport and attractions) are included in the discussions for currency change. Furthermore, this study only focuses on the town of Victoria Falls. A similar study can be conducted in other tourist hubs of the country such as Mutare, Chimanimani, Masvingo, Bulawayo, Beitbridge and Mana Pools.

5.6   Conclusion

The introduction of this study highlighted that currency change could possibly revive the performance of accommodation businesses in Victoria Falls. The drop in bookings has been attributed to high prices and cash shortages in ATMs and banks, among other economic and political factors. Suggestions to adopt the ZAR as Zimbabwe's chief currency has been supported by politicians, scholars, business people, journalists and experts. However, the government has the final say on the adoption of ZAR as Zimbabwe's chief currency or the adoption of a different currency or reintroducing ZW$. Although the government has the final say, the decision on currency change should consider the views of other stakeholders who are affected.

The study was informed by the stakeholder theory, collaboration theory and SET. The study is one of only a few that has investigated the perceived impacts of possible currency change on accommodation establishments in Victoria Falls, thus making a major contribution in this field of research.

The literature review discussed accommodation establishments, pricing strategies, the currency regime, dollarisation and the impact of current currency on accommodation businesses. Since there is limited available literature on the adoption of new currency, cash shortages, the impact of cash shortages on accommodation businesses, this study allowed the researcher to highlight new perspectives on this topic. Additionally, the analysis and interpretation of data has contributed towards bridging the gap in literature. The review of

literature pertinent to the research objectives enabled the researcher to gain a broad understanding of the research problem and the study. Furthermore, it contributed towards research methods that were adopted and interpretation of research outcomes.

The researcher evaluated the research objectives to determine whether they had been achieved. This evaluation highlighted the involvement of accommodation establishments in the discussions of possible currency change, together with conclusions and recommendations. Furthermore, the evaluation of the research objectives has revealed future research areas that give a platform to build and expand literature on how the cash crisis and currency change affects the growth and profitability of accommodation businesses in Zimbabwe. Furthermore, the outcome of these objectives has contributed towards existing literature on the importance of collaboration enhanced by effective participation of all stakeholders. Originating from this evaluation, the government of Zimbabwe will be able to improve the manner in which they take major decisions that affect the contribution of accommodation businesses to the revival and growth of the economy, thus creating multi-stakeholder engagement platforms for decision-making through collaboration.

The evaluation of the study objectives revealed that decision-making through collaboration is pivotal to sustainable tourism development and economic growth. However, the government has not effectively implemented this principle on Zimbabwe's accommodation sector. Therefore, the study concludes that accommodation establishments in the town of Victoria Falls do not have equal opportunities to participate in decision-making at local and/or national government level. It is important for accommodation establishments to engage with forums like ZTA and HAZ to air their grievances on exclusion in decisions that affect their operations. Failure to follow this route might leave them operating in harsh and unfavourable conditions for smooth operations, profitability and growth, employment creation, GDP contribution and other social, environmental and economic factors. Alternatively, the government should reach out to these establishments since it has the responsibility to co-ordinate the discussions and has the final say on decisions made. Lessons drawn from this study are not limited to accommodation establishments but apply to other sectors of the tourism industry such as events, transport, attractions and food and beverages, as well as to other sectors of the economy such as mining, agriculture and manufacturing.

Apart from decision-making through collaboration, the researcher drew further conclusions from the study and made recommendations. Although the conclusions and recommendations were drawn from the respondents in the town of Victoria Falls, they are generalisable to accommodation establishments across the country. Key areas identified were compulsory

grading of accommodation establishments, implementation of competitive pricing and the creation of platforms by the government for multi-stakeholder engagement.

Reflecting on the study

The instability of the Zimbabwean economy has negatively affected different businesses across the country. While different factors such as political and economic instability, job losses, high inflation rate are attributed to this cause, the value of stakeholder involvement in major decision-making such as currency change should be always upheld. This section reflects main highlights and final concluding remarks of the study.

The first chapter provided an introduction and background of the research study. The research problem, questions and objectives were also outlined. In addition, a synopsis of the research methods employed for data collection was provided. The research background revealed that there is a need for pricing accommodation establishments in a different currency to the US$. The use of the US$ has resulted in a cash crisis and exorbitant prices charged on accommodation, impeding the contribution of the sector towards economic recovery. Accommodation has been flagged as a key sector in attracting foreign investment, job creation and the generation of GDP, thus requiring a conducive economic environment which promotes sustainable growth. It has also emerged from the background of the research that several studies have considered the impacts of dollarisation on the accommodation establishments while literature is limited on the possible impacts of pricing accommodation in ZAR or other currencies. Currency change is perceived to curb cash crises and regularise accommodation pricing, hence the study investigated the perceived impacts of possible currency change on accommodation establishments in the town of Victoria Falls.

Chapter 2 presented the theoretical framework and literature review. The theoretical framework discussed stakeholder theory, collaboration theory and SET. Emerging from the stakeholder theory reviewed in the context of the study, it became evident that successful planning and decision-making result in sustainable development and growth of accommodation establishments. This is determined by the involvement, collaboration, participation and cooperation of all stakeholders affected by a possible currency change, understanding its influence in pricing of commodities and services in Zimbabwe.

The literature review discussed different types of accommodation establishments highlighting those found in the town of Victoria Falls, representing different accommodation types that Zimbabwe offers as a tourist destination. The pricing strategies adopted by these

accommodation establishments were also discussed, highlighting pricing as an integral aspect to the success accommodation establishments as it influences demand, occupancy rate, profitability and total revenue for the establishments. The discussion continued with an overview of currency regime underlining the history of currency change in Zimbabwe and the impacts the country faced with previous local and foreign currency pricing on accommodation establishments. Hyperinflation due to the loss of value of the local currency affected the economy and that resulted in the official dollarisation of the economy. In light of explaining the causes and impacts of dollarisation, the discussion covered two countries which experienced dollarisation other than Zimbabwe - one in Europe (Cuba) and the other one in Africa (Namibia) to give a global perspective. Dollarisation affected the tourism industry in these countries differently (positive and negative) – projecting an unbiased approach to the study. The study highlights a literature gap on the impacts of cash shortages and adoption of a new currency on accommodation establishments.

Chapter 3 discussed the research design and methodology adopted by the study, precisely the study instrument, target population, sample selection, sample size and method of analysis (descriptive analysis alongside crosstabulation and chi-square were used). The research design and methodology employed in the study was guided by the research objectives. An appropriate design and methods are pivotal in achieving the objectives of the study.

Chapter 4 provided an analysis and interpretation of the study findings. From the discussion, the aim and objectives of the study were achieved. The study contributed towards literature on the effect of dollarisation on the accommodation establishments in Zimbabwe and the impact of collaborative stakeholder participation in pursuit of economic recovery through adopting the currency that enhances sustainable growth in accommodation businesses. The study underscores stakeholder collaboration as a key in achieving sustainable development. As a result of this study, the voice of the accommodation (crucial sector to the economy of Zimbabwe) on currency challenges facing Zimbabwe is now known. This may shape the government approach on matters of this nature, as they are crucial to a wide range of stakeholders.

The last chapter provided conclusions, recommendations, limitations of the study and future direction of the study. The conclusions show that there are challenges facing accommodation businesses in the town of Victoria Falls when it comes to the subject of this study. Success of these accommodation establishments is influenced by both internal and internal factors. While businesses address internal factors, government should intervene in eradicating the impact of external factors (such as currency change) by formulating policies that upholds decision-making through collaboration of all stakeholders affected by a phenomenon and make

available platforms for multi-stakeholder engagement. By doing so, sustainable development and growth can be attained in accommodation sector and sustainable future in the entire tourism industry.

REFERENCES

Aagesen, D. & Paluch, J. 2001. International tourism trends in Cuba. *Reseach Gate:* 49, January 20.

Aas, C., Ladkin, A. & Fletcher, J. 2005. Stakeholder collaboration and heritage management. *Annals of Tourism Research,* 32(1):28–48.

Abel, S. & Le Roux, P. 2017. Tourism an engine of wealth creation in Zimbabwe. *International Journal of Economics and Financial Issues,* 7(2):129-137.

Adom, D., Hussein, E.K. & Agyem, J.A. 2018. Theoretical and conceptual framework: mandatory ingredients of a quality research. *International Journal of Science Research,* 7(1):438–440.

Akinkunmi, M. 2018. *Data mining and market intelligence: Implications for decision-making.* Williston, VT: Morgan and Claypool Publishers.

Albayrak, T., Caber, M. & Aksoy, S. 2010. Relationships of the tangible and intangible elements of tourism products with overall customer satisfaction. *International Journal of Economics, Trade and Finance*, 1(2):140–143.

Aliaga, M. & Gunderson, B. 2000. *Interactive statistics*. Upper Saddle River, NJ: Prentice Hall.

Allen, W. & Kilvington, M. 2010. Stakeholder analysis. *Landcare Research.* https://learningforsustainability.net/pubs/Allen2009-Stakeholder_analysis.pdf [02 November 2020].

Amadeo, K. 2018. *Hyperinflation with Its causes, effects, and examples.* https://www.thebalance.com/what-is-hyperinflation-definition-causes-and-examples-3306097 [25 April 2018].

Ap, J. 1992. Resident's perception on tourism impacts. *Annals of Tourism Research*, 19(4):665- 690.

Arnold, R.A. 2008. *Economic*. Mason, OH: South-Western Cengage Learning.

Analoui, F. & Karami, A. 2003. *Strategic management in small and medium enterprises.* South Melborne, Australia: Thomson Learning.

Andrew, S. 2007. *Textbook of hotel housekeeping and operations management.* London: Tata McGraw-Hill Publishing Company Limited.

Andrews, R. 2003. *Research questions*. London: Continuum.

Antunes Do Carmo, J. (ed) 2018. *Natural hazards: risk assessment and vulnerability reduction*. London: IntechOpen.

Arunmozhi, T. & Panneerselvam, A. 2014. Tourism marketing and its importance. *International Journal of Advanced Multidisciplinary Research*, 1(1):32–34.

Asante, A. 2012. National economic collapse and revival, the case of Zimbabwe. Unpublished thesis. Wright State University, Dayton, OH.

Bada, F. 2018. The biggest industries in Zimbabwe. https://www.worldatlas.com/articles/the-biggest-industries-in-zimbabwe.html [22 April 2019].

Bajaj, P. 2013. *The economic impact of land reforms in Zim: Part III.* https://www.herald.co.zw/the-economic-impact-of-land-reforms-in-zim-part-iii/ [24 March 2018].

Balaji, B. 2002. *Services marketing and management.* New Delhi: S. Chad & Company Ltd.

The Bayete Collection. 2019. *PheZulu Guest Lodge.* https://www.thebayetecollection.com/phezulu/ [30 July 2020].

Bank of Namibia, 2012. *Annual Report. Windhoek.* https://www.bon.com.na/CMSTemplates/Bon/Files/bon.com.na/a9/a945e489-d76a-4a42-9025- 92820979b685.pdf [20 November 2020].

Beaver, A. 2005. *A dictionary for travel and tourism terminology*. 2nd ed. Wallingford, UK: CABI.

Bennett, A., Jooste, C. & Strydom, L. 2005. *Managing tourism services: A southern African perspective*. 3rd ed. Pretoria: Van Schaik.

Benoit, S. 2010. Characteristics of services: a new approach uncovers their value. *Journal of Services Marketin*g, 24(5):359–368.

Bhatia, A.K. 2006. *The business of tourism: Concepts and strategies.* New Delhi: Sterling Publishers.

Bhatia, A.K. 2012. *The business of travel agency and tour operations management*. New Delhi: Sterling Publishers.

Bhattacharya, C. 2006. *Service marketing, concepts, planning and implementation.* New Delhi: Excel Books.

Biti, T. 2019. *Zimbabwe should adopt the Rand, says former finance minister Tendai Biti.* https://www.businesslive.co.za/bd/world/africa/2019-02-10-zimbabwe-should-adopt-the-rand-uregs-former-finance-minister-tendai-biti/ [22 April 2019].

Blythe, J. 2009. *Key concepts in marketing.* London: SAGE.

Bogetic, Z. 2000. Official dollarisation: current issues and experiences. *CATO Journal,* 2(20):179–213.

Bragg, S. 2018. *Premium pricing.* https://www.accountingtools.com/articles/2017/5/16/premium-pricin [05 August 2018].

Bramwell, B. & Lane, B. 2000. *Tourism collaboration and partnerships politics, practice and sustainability*. London: Channel View Publications.

Bramwell, B. & Lane, B. 2005. Sustainable tourism research and the importance of societal and social science trends. *Journal of Sustainable Tourism,* 13(1):1–3.

Bramwell, B. & Lane, B. 2013. Getting from here to there: systems change, behavioural change and sustainable tourism. *Journal of Sustainable Tourism*, 21(1):1–4.

Briggs, P. 2014. *Ghana.* 6th ed. Guilford, CT: Globe Pequot Press Inc. http://docshare02.docshare.tips/files/26385/263858907.pdf [28 September 2018].

Brotherto, B. & Wood, R.C. (eds). 2008. *The SAGE handbook of hospitality management.* London: SAGE Publications Ltd.

Brotherton, B. 2015. *Researching hospitality and tourism.* London: SAGE.

Bruce, C.S. 1994. *Research students' early experiences of the dissertation literature review.* https://business.nmsu.edu/~mhyman/M610_Articles/Bruce_Diss_Lit_Review.htm [20 May 2018].

Bryman, A. 2012. *Social research methods.* 4th ed. New York: Oxford University Press.

Bryman, A. & Bell, E. 2011. *Business research methods*. 3rd ed. Oxford: Oxford University Press.

Buckley, R. 2006. *Adventure tourism.* Wallingford, UK: CABI.

Buigut, S. 2015. The effect of Zimbabwe's multi-currency arrangement on bilateral trade: myth versus reality. *International Journal of Economics and Financial Issues,* 5(3):690–700.

Business Case Studies. 2017. *Market research and consumer protection.* http://businesscasestudies.co.uk/food-standards-agency/market-research-and-consumer-protection/primary-and-secondary-research.html [27 May 2017].

Business Dictionary.com. 2015. *Research design.* http://www.businessdictionary.com/definition/research-design.html#ixzz3W5ZUm0IT [01 February 2016].

Business Dictionary.com. 2017a. *Research design.* http://www.businessdictionary.com/definition/research-design.html [25 March 2017].

Business Dictionary.com. 2017b. *Primary research.* http://www.businessdictionary.com/definition/primary-research.html [27 May 2017].

Business Dictionary.com. 2018a. *Bundle pricing.* http://www.businessdictionary.com/definition/bundled-pricing.html [09 August 2018].

Business Dictionary.com. 2018b. *Tactical pricing:* http://www.businessdictionary.com/definition/tactical-pricing.html [18 August 2018].

Butler, R.W. & Russell, R.A. (eds.). 2010. *Giants of tourism.* Wallingford, UK: CABI.

Bwiti, K.2018. *New Finance Minister aims at currency reform.* http://www.sundaynews.co.zw/new-finance-minister-aims-at-currency-reforms/ [12 October 2018].

Caffyn, A. & Jobbins, G. 2003. Governance capacity and stakeholder interactions in the development and management of coastal tourism: examples from Morocco and Tunisia. *Journal of Sustainable Tourism,* 11(2):224-245.

Cai, L.A. & Alaedini, P. (eds.). 2018. *Quality services and experiences in hospitality and tourism.* Bingley, UK: Emerald Publishing Limited.

Cambridge Dictionary. n.d. *Impact.* http://dictionary.cambridge.org/dictionary/english/impact [15 March 2017].

Capon, N. & Go, F. 2017. *Frameworks for market strategies*. London: Routledge.

Castillo, O.G. & Gaspar, N.G. 2002. *Tourism Development for the Cuban Economy*. https://revista.drclas.harvard.edu/book/tourism-development-cuban-economy-english-version [17 April 2020].

Chandra, S.S. & Sharma, R.K. 2004. *Research in education.* New Delhi: Atlantic Publishers and Distributors.

Cherry, K. 2016. *What is a sample?* https://www.verywell.com/what-is-a-sample-2795877 [26 March 2017].

Chibili, M. 2016. *Modern hotel operations management.* Oxford, UK: Noordhoff Uitgevers.

Chinamasa, P. 2016. *The 2016 mid-year fiscal policy review statement.*
https://www.dpcorp.co.zw/assets/zimbabwe-mid-year-fiscal-policy-8-september-2016.pdf [08 March 2017].

Chitale, A.K., Mohanty, R.P. & Dubey, N.R. 2012. *Organisational behaviour: Text and cases.* New Delhi: PHI Learning Private Limited.

Chitambara, P. 2009. *Unpacking dollarisation.* http://www.financialgazette.co.zw/unpacking-dollarisation/ [17 April 2018].

Choi, D.Y. & Gray, E. 2011. *Value centred entrepreneurs and their companies.* New York: Routledge Taylor and Francis.

Chowhan, S.S. 2015. *Marketing of services.* New Delhi: Pearson Education.

Chronicle, The. 2016. *The RBZ chief says multicurrency system dysfunctional.* http://www.chronicle.co.zw/rbz-chief-says-multi-currency-system-dysfunctional/ [19 May 2018].

Collins English Dictionary. 2018. *Plastic money.* https://www.collinsdictionary.com/dictionary/english/plastic-money [08 September 2018].

Cooper, C., Fletcher, J., Fyall, A., Gilbert, D. & Wanhill, S. 2005. *Tourism principle and practice.* 3rd ed. Harlow, UK: Prentice Hall.

Cooper, D. & Schindler, P. 1998. *Business research methods.* 6th ed. Boston, MA: Irwin/McGraw-Hill.

Cowton, C.J. 1998. The use of secondary data in business ethics research. *Journal of Business Ethics,* 17(4):423–434.

Crane, F.G. 2013. *Marketing for entrepreneurs: concepts and applications for new ventures.* 2nd ed. London: SAGE.

Cropanzano, R., Anthony, E.G., Daniels, S.R. & Hall, A.V. 2017. Social exchange theory: a critical review with theoretical remedies. *Academy of Management Annals,* 11(1):1–38.

Crossman, A. 2020. *Understanding social exchange theory* https://www.thoughtco.com/social-exchange-theory-3026634#:~:text=According%20to%20this%20theory%2C%20the,of%20interaction%20%E2%80%93%20costs%20of%20interaction [07 December 2020].

Dakwa, W. 2018. *HAZ welcomes hotel regrading.* https://www.sundaynews.co.zw/haz-welcomes-hotel-regrading/ [10 June 2018].

Dawson, K. 2016. *100 activities for teaching research methods.* London: SAGE.

De Araujo, L.M. & Bramwell, B. 1999. Stakeholder assessment and collaborative tourism planning: the case of Brazil's Costa Dourada project. *Journal of Sustainable Tourism,* 7(3&4):356-378.

De Araujo, L.M. & Bramwell, B. 2002. Partnership and regional tourism in Brazil. *Annals of Tourism Research,* 29(4):1138–1164.

De Oliveira, J., Filho, E.E., Nagano, M.S., Ferraudo, A.S. & Rosim, D. 2015. What do small business owner-managers do? A managerial work perspective. *Journal of Global Entrepreneurship Research,* 19(5):1–22.

De Vaus, D.A. 2001. *Research design in social research.* London: SAGE.

Dijkstra, J. 2015. *Social exchange: relations and networks.* https://doi.org/10.1007/s13278-015-0301-1 [7 December 2020].

Donaldson, T. & Preston L.E. 1995. The stakeholder theory of corporation: concepts evidence, and implications. *Academy of Management Review,* 20(1):65-91.

Donovan, S. 2015. *Africa and India: Me & the kids.* Bloomington, IN: Author House.

Doswell, R. 2009. *Tourism: How effective management makes a difference.* Oxford, UK: Butterworth-Heinemann.

Drury, C. 2005. *Management accounting for business*. 3rd ed. London: Thomson Learning.

Dutta, S. & Saha, D.G. 2015. *Mastering commercial applications.* New Delhi: Vikas Publishing.

Dwyer, L., Forsyth, P. & Dwyer, W. 2010. Tourism economics and policy. Bristol, UK: Channel View Publications.

Eckstein, S. 2004. Dollarization and Its discontents: remittances and the remaking of Cuba in the Post-Soviet Era. *Comparative Politics,* 36(3) 313-330.

Economic Times, The. 2018. *The pricing strategies.* https://economictimes.indiatimes.com/definition/pricing-strategies [13 May 2018].

Edward, G. & Shilling, D.V. 2009. *Acceptance sampling in quality control.* 2nd ed. Boca Raton, FL: CRC Press.

Egbert, J. & Sanden, S. 2013. *Foundations of education research: Understanding theoretical components.* Abingdon-on-Thames, UK: Routledge.

Eita, J.H. & Jordaan, A.C. 2014. Estimating the tourism potential in Namibia. *Cooperate Ownership of Control*, 11(4):391-398.

Elephant Hills. n.d. *About the hotel*. https://elephanthills.com [24 April 2017].

Emerson, R.M. 1976. Social exchange theory. *Annual Review of Sociology,* 2:335-362.

Enrique, L. 2010. The Cuban alternative to neoliberalism; linkages between local production and tourism after 1990. *International Journal of Development,* 9(2):92-112.

Ezeuduji, I.O., Chibe, M.E. & Nyathela, T. 2017. Hospitality management study programme and students' perceptions: Universities in South Africa. *Journal of Teaching in Travel & Tourism*, 17(4):313-324.

Fawcett, B. & Pockett, R. 2015. *Turning ideas into research: Theory, design and practice.* London: SAGE.

Fernández, O. 2008: *The Cuban dual monetary system and challenges ahead.* https://www.ascecuba.org/asce_proceedings/the-cuban-dual-monetary-system-and-challenges-ahead/ [07 May 2020].

Ferrell, O.C. & Hartline, M. 2008. *Marketing strategy.* 4th ed. Mason, OH: Thomson South-Western.

Financial Gazette, The. 2009. *Unpacking dollarisation part 1.* http://www.financialgazette.co.zw/unpacking-dollarisation/ [7 March 2017].

Font, M.A. & Arias, J. 2008. *Changing Cuba, changing the world.* New York: Bildner Center for Western Hemisphere Studies.

Fox, W. & Bayat, M.S. 2007. *A guide to managing research*. Cape Town: Juta.

Freeman, R.E. 1984. *Strategic management: a stakeholder approach.* Boston: Pitman.

Freeman, R. E. 2010. *A stakeholder approaches.* Cambridge: Cambridge University Press.

Fyall, A. & Garrod, B. 2005. *Tourism marketing: Collaborative approach*. Clevedon, UK: Channel View Publications.

Gbadamosi, A., Nwakwo, I.K. & Bathgate, S. (eds.). 2013. *Principles of marketing: A value-based approach*. New York: Palgrave Macmillan.

George, R. 2007. *Managing tourism in South Africa*. Cape Town: Oxford University Press.

George, R. 2011. *Marketing tourism in South Africa.* 4th ed. Cape Town: Oxford University Press.

Golafshani, N. 2003. Understanding reliability and validity in qualitative research. *The Qualitative Report*, 8(4):97–606.

Gonzalez-Corzo, Mario. 2006. *Cuba's de-dollarization program: principal characteristics and possible motivations.* https://www.ascecuba.org/asce_proceedings/cubas-de-dollarization-program-principal-characteristics-and-possible-motivations/ [07 May 2020].

Gottesdiener, E. 2002. *Requirements by collaboration: Workshops for defining needs*. Boston, MA: Addison Wesley.

Graci, S. 2013. Collaboration and partnership development for sustainable tourism. *Tourism Geographies*, 15(1):25–42.

Granat, K. 2018. *High costs hinder Zimbabwe's tourism.* http://www.tourismupdate.co.za/article/182001/High-costs-hinder-Zimbabwe-s-tourism [13 October 2018].

Grant, C. & Osanloo, A. 2014. Understanding, selecting and integrating a theoretical framework in dissertation research: Creating the blueprint for your house. *Administrative Issues Journal: Education, Practice and Research*, 4(2):12–15.

Gray, B. 1989. *Collaborating: Finding common ground for multiparty problems.* New York: Jossey-Bass.

Gray, B. & Wood, D. 1991. Collaborative alliances: Moving from practice to theory. *Journal of Applied Behavioral Science*, 27(1):3–22.

Grimble, R. & Wellard, K. 1997. Stakeholder methodologies in natural resource management: a review of principles, contexts, experiences and opportunities. *Agricultural Systems*, 55 (2):173–93.

Gupta, R., Singh, N., Kirar, I. & Bairwa, M.K. 2015. *Hospitality and tourism management.* Noida, India: Vikas Publishing House.

Gutierrez, E., Lamoureux, K., Matus, S. & Sebunya, K. 2005. Linking communities, tourism and conservation: A tourism assessment process. Seattle, WA: Conservation International.

Gwanyanya, P. 2016. *The efficacy of a multi-currency system.* http://www.sundaymail.co.zw/the-efficacy-of-a-multi-currency-system/ [05 May 2018].

Hall, C.M. 2008. *Tourism planning: Policies, processes and relationships*. London: Pearson Education Limited.

Hanke, S.H. 2008. *Zimbabwe hyperinflation to growth*. Harare: New Zanj Publishing House.

Hanks, S.H. & Kwok, A.K.F. 2009. On the measurement of Zimbabwe's hyperinflation. *Cato Journal,* 29(2):353–364.

Hardy, A.L. & Beeton, R.J.S. 2001. Sustainable tourism or maintainable tourism: managing resources for more than average outcomes. *Journals of Sustainable Tourism,* 9(3):168-192.

Herrera, R. & Nakatani, P. 2005. Dollorisation in Cuba. In Arbelaez, H. & Click, R. (eds). Latin American financial markets: developments in financial innovations (International Finance Review, Vol. 5). Bingley. Emerald Group Publishing Limited: 115-134.

Hira, A. & Dean, J.W. 2004. Distributional effects of dollarisation: The Latin American case. *Third World Quarterly*. 25(3):461–482.

Hirschey, M. 2009. *Fundamentals of managerial economics*. 9th ed. Mason, OH: South-Western Cengage Learning.

Holbrook, M. 1999. (ed.). *Consumer value: A framework for analysis and research*. New York: Routledge.

Homans, G.C. 1961. *Social behaviour: Its elementary forms*. New York: Harcourt, Brace & World.

Hospitality Association of Zimbabwe. 2018. *The hospitality association of Zimbabwe.* http://zct.co.zw/our-members/hospitality-association-zimbabwe [18 June 2019].

Hoy, W.K. 2010. *Quantitative research in education: A primer*. Los Angeles, CA: SAGE.

Hurd, A.R., Barcelona, R.J. & Meldrum, J.T. 2008. *Leisure service management.* Ontario: Human Kinetics Inc.

Ilala Lodge. 2018. *Special offers*. https://www.ilalalodge.com/the-lodge/specials/ [16 May 2018].

Investopedia. 2017. *Currency.* http://www.investopedia.com/terms/c/currency.asp [15 March 2017].

Ivanova, M., Ivanov, S. & Magnini, V.P. (eds). 2016. *The Routledge handbook of hotel chain management*. New York. Routledge.

Ivanovic, M., Khonou, P.S., Reynish, N., Pawson, R., Tseane, L. & Wassung, N. 2009. *Tourism development: fresh perspective*. Pinelands: Pearson Education.

Jaison, J. 2018. *Qualitative research and transformative results: a primer for students and mentors.* Bangalore: Saiacs Press.

Jamal. T.B. & Getz, D. 1995. Collaboration theory and community tourism planning. *Annals of Tourism Research*, 22(1):186–204.

Jayapalan, N. 2001. *An introduction to tourism.* New Delhi: Atlantic Publishers & Dist.

Jenman Safaris. 2017. *A history of Victoria Falls.* https://www.jenmansafaris.com/history-victoria-falls/ [26 October 2018].

Jones, P. & Lockwood, A. 2004. *The management of hotel operations.* London: Thomson Learning.

Joseph, J. 2007. *Basics of strategic and tactical pricing.* http://www.marketingprofs.com/7/strategic-tactical-pricing-basics-joseph.asp [12 August 2018].

Kabote, F., Vengesayi, S., Mapingure, C., Murimi, K., Chimutingiza, F. & Mataruse, R. 2013. Employee perceptions of dollarisation and the hospitality industry performance. *Australian Journal of Business and Management Research*, 2(10):31–37.

Kabote, F., Mashiri, B., & Vengesayi, S. 2014. Pricing and domestic tourism performance in Zimbabwe. *African Journal of Hospitality, Tourism and Leisure*, 3(2):1-12.

Kanjanda, B. 2016 *Challenges in service delivery in Zimbabwe hotels.* http://culinaryartsacademy.co.zw/challenges-in-service-delivery-in-zimbabwe-hotels/ [16 May 2018].

Karahan, M., Durmaz, Y., Alsu, E. & Durur, E. 2016. Factors affecting pricing strategies in tourism establishments: A field study in South Eastern Antatolia region in Turkey. *International Journal of Management and Information Technology,* 11(2):2740–2746.

Karambakuwa, R.S., Shonhiwa, T., Murombo, L., Mauchi, F.N., Gopo, N.R., Denhere, W. Tafirei, F., Chingarande, A. & Mudavanhu, V. 2011. The impact of Zimbabwe Tourism Authority initiatives on tourist arrivals in Zimbabwe. *Journal of Sustainable Development in Africa,* 13(6):68–77.

Karombo, T. 2019. *How to understand why Zimbabwe is bringing back the Zim dollar and the limits of mobile money*. https://qz.com/africa/1739416/zimbabwe-brings-back-zim-dollar-and-the-limits-of-mobile-money/ [08 December 2020].

Kavita, E. & Saarinen, J. 2016. Tourism and rural community development in Namibia: policy issues review. *International Journal of Geography*, 194(1):79-88.

Kazunga, O. 2019. *New fully-fledged currency in 12 months: Minister*. https://www.chronicle.co.zw/new-fully-fledged-currency-in-12-months-minister/ [22 April 2019].

Khanka, S.S. 2008. *Organisational behaviour: text and cases.* Mumbai: S. Chad & company Pvt Ltd.

Kildegaard, A.C. & Fernández, R.O. 1999. *Dollarisation in Cuba and Implications for the future transition*. Annual Proceedings, The Association for the Study of the Cuban Economy, vol. 9.

Kokemuller, N. 2018. *Pricing strategy and policy.* https://yourbusiness.azcentral.com/pricing-strategy-policy-14931.html [18 October 2018].

Kothari, C.R. 2004. *Research methodology: Methods and techniques.* 2nd ed. New Delhi: New Age International.

Kozak, M. & Baloglu, S. 2011. *Managing and marketing tourist destination: Strategies to gain a competitive edge.* London: Routledge Taylor and Francis Group.

Kramarenko, V., Engstrom, L., Verdier, G., Fernandez, G., Oppers, S.E., Hughes, R., McHugh, J. & Coats, W. 2010. *Zimbabwe: Challenges and policy options after hyperinflation.* Washington DC: International Monetary Fund.

Krejcie, R.V. & Morgan, D.W. 1970. Determining sample size for research activities. *Educational and Psychological Measurement*, 30:607–610.

Kumar, A. & Sharma, R. 1998. *Marketing management*. New Delhi: Atlantic Publishers and Distributors.

Kumar, C.R. 2008. *Research methodology.* New Delhi: APH Publishing Corporation.

Kumar, S.R. 2007. *Marketing and branding: Indian scenario.* New Delhi: Pearson Education.

Labaree, R.V. 2009. *Research guides: Organising your social sciences research paper: theoretical framework*. http://libguides.usc.edu/c.php?g=235034&p=1561763 [13 October 2018].

Ladkini, A. & Betramini, A.M. 2002. Collaborative tourism planning: a case study of Cusco, Peru. *Current Issues in Tourism*, 5(2):71-93.

Lazzeretti, L. & Petrillo, C.S. 2006. *Tourism systems and networking.* London: Routledge Taylor and Francis Group.

Leadbeater, B., Banister, E., Benoit, C., Jansson, M., Marshall A. & Riecken, T. 2006. *Ethical issues in communality based research with youth and children.* London: University of Toronto Press.

Leader, W.G. & Kyritsis, N. 1990. *Fundamentals of marketing.* Cheltenham: Stanely Thornes.

Lee-Ross, D. 2003. The quintessential relationship: service predispositions and quality assuarance. In Kusluvan, S. (ed). *Managing employee attitude and behaviors in the tourism and hospitality industry.* New York. Nova Science Publishers, Inc.

Livesey, F. 1976. *Pricing.* Dublin, Ireland: The Macmillan Press Ltd.

Lockyer, T.L.G. 2007. *The international hotel industry: Sustainable management*. New York: Routledge Taylor and Francis Group.

Mabhuku, M.M. 2009. Investigating the stability of money demand in Namibia. Unpublished Masters thesis, University of Namibia, Namibia.

Macheka, T. 2015. *High prices deterring tourists to Zimbabwe*. https://nehandaradio.com/2015/01/10/high-prices-deterring-tourists-zimbabwe/ [20 October 2018].

Machingura, W.G. 2016. *Travelling to Zim? Take loads of cash.* https://www.iol.co.za/travel/travel-news/travelling-to-zim-take-loads-of-cash-2032380 [15 April 2016].

Macrotrends. 2020. *Namibia tourism statistics 1995-2020*. https://www.macrotrends.net/countries/NAM/namibia/tourism-statistics [17 August 2020].

Makina, D. 2010. Historical perspective on Zimbabwe's economic performance: a tale of five lost decades. *Journal of Developing Societies,* 26(1):99-123.

Makochekanwa, A. 2009. Zimbabwe's currency crisis: Which currency to adopt in the aftermath of the multi-currency regime? Unpublished doctoral thesis. University of Pretoria, Pretoria.

Makuzva, W. 2018. Tourists' perspectives of a tourism product in a selected Zimbabwean town. Unpublished MTech thesis. Cape Peninsula University of Technology, Cape Town.

Mandeya, N.P. 2017. Investigating an effective de-dollarisation strategy for Zimbabwe. Unpublished thesis. University of Zimbabwe, Harare.

Maphosa, T. 2014. An investigation of the causes of non-adherence to set quality standards in lodges in Zimbabwe: a case study of operators in Harare. Unpublished Masters thesis. University of Zimbabwe, Harare.

Mark, J. 2004. *Tourism and the economy: Understanding the economics of tourism.* Honolulu: Unversity of Hawaii Press.

Marshall, M.N. 1996. Sampling for qualitative research. *Family Practice*, 13(6):522–526.

Mashakada, T. 2016. *The liquidity-cum-cash challenges in Zimbabwe: A fiscal policy crisis.* http://thezimbabwean.co/2016/06/the-liquidity-cum-cash-challenges-in-zimbabwe-a-fiscal-policy-crisis/ [11 March 2017].

Maslow, A. 1943. *A theory of human motivation*. Toronto: Start Publishing LLC.

Mason, P. 2008. *Tourism impacts, planning and management.* Oxfrord: Butterworth-Heinemann.

Mataranyika, M. 2018. *Zimbabwe rebirth: Its foreign currency crunch in a changing tourism industry.* https://www.traveller24.com/Explore/zimbabwe-rebirth-its-foreign-currency-crunch-in-a-changing-tourism-industry-20180115 [18 May 2019].

McCrea, B. & Pinchuck, T. 2000. *The rough guide to Zimbabwe*. London: Rough Guide Ltd.

McHugh, J. & Coats W. 2010. *Zimbabwe: Challenges and policy options after hyperinflation.* Washington, DC: International Monetary Fund.

McMahon-Beattie, U. & Yeoman. (eds.). 2004. *Sport and leisure operations management*. London: Thomson Learning.

Mdzungairi, W. 2018. *Zim poised for tourism boom.* https://www.newsday.co.zw/2018/03/zim-poised-for-tourism-boom/ [21 March 2019].

Mehta, B.K. 2000. *Principles of money and banking*. New Delhi: Motilal Banarsidass Publishers Pvt Ltd.

Meikles Hotel. 2018. *Accommodation*. http://www.meikles.com/ [15 September 2018].

Menchaca, R. 2019. *Cuba builds up tourism sector despite US sanctions.* http://www.xinhuanet.com/english/2019-07/07/c_138206065.htm [13 August 2020]

Mensah, R.D. & Mensah, I. 2013. *Management of tourism and hospitality services.* 2nd ed. London: Xlibris LLC.

Merriam, S.B. 2014. *Qualitative research: A guide to design and implementation.* 3rd ed. San Francisco, CA: John Wiley & Sons.

Mertens, D.M. & Ginsberg, P.E. 2009. *The handbook of social research ethics.* London: SAGE.

Mesa–Lego, C. 2005. *The Cuban Economy in 2004–2005.* https://www.ascecuba.org/asce_proceedings/the-cuban-economy-in-2004-2005/ [14 April 2020].

Michler, I. 2007. *Victoria Falls & surrounds: The insider's guide series.* Cape Town: Struik.

Misra, S.N. & Sadual, S.K. 2008. *Basics of tourism management*. New Delhi: Excel Books.

Moeller, S. 2010. Characteristics of services: A new approach uncovers their value. *Journal of Services Marketing,* 24(5):359–368.

Mok, C., Sparks, B. & Kadampully, J. (eds.). 2013. *Service quality management in hospitality, tourism and leisure*. New York: Routledge.

Monreal, P. 2007. *Sea changes: The new Cuban economy*. https://nacla.org/article/sea-changes-new-cuban-economy [12 June 2020].

Monsen, E.R. & Horn, L.V. 2008. *Research: Successful approaches*. Chicago, Il: American Dietetic Association.

Moyo, L. 2016. *Zimbabwe economic decline devastates local tourism*. https://www.voazimbabwe.com/a/zimbabwe-economic-decline-devastates-local-tourism/3405175.html [15 May 2018].

Mpofu, T.P.Z. & Chitura, M. 2015. Impact of the economic crisis on service delivery: A case study of the hospitality sector in Victoria Falls, Zimbabwe. *Greener Journal of Economics and Accountancy,* 4(1):001–008.

Mupanedemo, F. 2016. *Why Zimbabwe remains an expensive tourism destination.* https://www.herald.co.zw/why-zimbabwe-remains-an-expensive-tourism-destination/ [15 April 2018].

Murray, P. 2016. *Zimbabwe*. 3rd ed. Guildford, UK: Brandt Travel Guides.

Musaba, C.N., Musaba, E.C. & Hoabeb, S.I.R. 2014. Employee perceptions of service quality in the Namibian hotel industry: a servqual approach. *International Journal of Asian Social Science*, 4(4):533-543

Mutori, D. 2016. Are strong US$ "Benjamins" spooking tourists away from Zimbabwe? *New Zimbabwe:* 1, Nov 5.

Muzapu, R. & Sibanda, M. 2016. Tourism development strategies in Zimbabwe. *Management,* 6(3):55–63.

Mwanawashe, C. 2017. *CZI to push for the adoption of Rand*. http://www.herald.co.zw/czi-to-push-for-adoption-of-rand/ [13 March 2017].

Nagle, T.T., Hogan, J. & Zale, J. 2016. *The strategy and tactics of pricing: A guide to growing more profitably*. New York: Routledge.

Naidu, N.V.R. & Rao, T.K. 2008. *Management and entrepreneurship*. New Delhi: I.K International Publishing House Pvt Ltd.

Nakale, A. 2018. *More jobs expected in tourism sector*. https://neweralive.na/posts/more-jobs-expected-in-tourism-sector [17 August 2020].

Nakale, A. 2020. *Namibia remains top tourist destination.* https://neweralive.na/posts/namibia-remains-top-tourist-destination [17 August 2020].

Namibia. Bank of Namibia. 2012. Annual report. Windhoek: Government.

Namibia. Namibia Training Authority. 2015. Tourism and hospitality skills plan. Windhoek: Government.

Namibia. Department of Environment and Tourism. 2016. National Sustainable Tourism Growth and Investment Promotion Strategy 2016-2026. Windhoek: Government.

Namibia Academy for Tourism and Hospitality. 2018. *Namibian Academy for Tourism and Hospitality*. https://www.nathnamibia.org/ [08 December 2020].

National Institute of Open Schooling. 2013. *Tourist accommodation.* http://oer.nios.ac.in/wiki/index.php/Tourist_Accommodation [17 March 2017].

Needham, D., Dransfield, R., Coles, M.H. & Rawlinson, M. 1999. *Business for higher awards*. Oxford, UK: Heinemann.

News24. 2016. *Our hotels are too expensive: Zambian official echoes rival Zim's tourism lament.* https://www.news24.com/Africa/Zimbabwe/our-hotels-are-too-expensive-zambian-official-echoes-rival-zims-tourism-lament-20160914-3 [24 April 2018].

Newsday. 2016. *Zim business urges use of Rand as primary currency.*
https://www.newsday.co.zw/2016/11/08/zim-business-urges-use-rand-primary-currency/ [10 March 2017].

Nielsen, H., Uanguta, E. & Ikhide, S. 2005. Financial integration in the Common Monetary Area. *South African Journal of Economics*, 73(4):710-721.

Nkomazana, L. & Niyimbanira, F. 2014. An overview of the economic causes and effects of Dollarisation: Case of Zimbabwe. *Mediterranean Journal of Social Sciences,* 5(7):69–73.

Noko, J. 2011. Dollarisation: The case of Zimbabwe. *Cato Journal*, 31(2):339–365.

Ntloko, N.J. & Swart, K. 2016. Reflections on government engaging business in planning initiatives for the 2010 FIFA World Cup: A case of a non-host area. *African Journal of Hospitality, Tourism and Leisure*, 5(3):1–15.

Ntloko, N.J. 2016. Multi-stakeholder approach to planning into 2010 FIFA World Cup initiatives: a case of a non-host area in South Africa. Unpublished DTech thesis. Cape Peninsula University of Technology, Cape Town.

Nyahasha, T. 2019. *Strive Masiyiwa advises Zim businesses to price in Rand, his Math is wrong but he may still be right.* https://www.techzim.co.zw/2019/04/strive-masiyiwa-advises-zim-businesses-to-price-in-rand-his-math-is-wrong-but-he-may-still-be-right/ [22 April 2019].

Nyaruwata, S. & Runyowa, D. 2017. Visitor perceptions on Zimbabwe as a tourist destination and implications for policy directions. *African Journal of Hospitality, Tourism and Leisure,* 6(2):2–8.

Nykiel, R.A. 2007. *Handbook of marketing research methodologies for hospitality and tourism*. Binghamton, UK: The Haworth Press.

Ogbor, J. 2009. *Entrepreneurship in sub-Saharan Africa: A strategic management perspective*. Bloomington, IN: AuthorHouse.

Oxbridge Academy. 2015. *Top 10 careers in tourism and hospitality*.
https://www.oxbridgeacademy.edu.za/blog/top-10-careers-tourism-hospitality/ [22 April 2020].

Page, S. & Connell, J. 2006. *Tourism a modern synthesis*. 2nd ed. London: Thomson Learning.

Patel, P.J., Patel, N.J. & Patel, A.R. 2014. Factors affecting currency exchange rate, economical formulas and prediction models. *International Journal of Application or Innovation in Engineering & Management,* 3(3):53–56.

Pender, L. & Sharpley, R. 2005. *The management of tourism.* London: SAGE.

Phanumat, W., Sangsnit, N., Mitrchob, C., Keasang, S. & Noithammaraj, P. 2015. A multi-stakeholder participatory approach in community-based tourism development: A case study from Thailand. *Transactions on Ecology and The Environment,* 193(1):915–928.

Phlips, L. 1983. *The economics of price discrimination*. London: Cambridge University Press.

Pinehas, T. 2018. *Tourism sector largest earning industry*.
https://www.namibian.com.na/173740/archive-read/Tourism-sector-largest-earning-industry [16 August 2020].

Polit, D.F. & Hungler, B.P. 1999. *Nursing research: Principles and methods*. 6th ed. Philadelphia, PA: Lippincott, Williams and Wilkins.

Polonsky, M.J. & Waller, D.S. 2011. *Designing and managing a research project: A business student's guide.* 2nd ed. London: SAGE.

Poudel, S. 2013. The influence of the accommodation sector on tourism developments and its sustainability. Case study: Strand camping, Larsmo. Unpublished thesis. Centria University of Applied Sciences, Finland.

Pride, W.M. & Ferrell, O.C. 2010. *Marketing.* Mason, OH: South-Western Cengage Learning.

Pride, W.M. & Ferrell, O.C. 2015. *Foundations for marketing*. Boston, MA: Cengage Learning.

Preble, J.F. 2005. Toward a comprehensive model of stakeholder management. *Business and Society Review*, 110(4):407–443.

Rajagopal, R. 2013. Marketing decision-making and the management of pricing: Successful business tools. eBook publisher: Business Science Reference.

Ramukumba, T. & Ferreira, I.W. 2016. Contribution of guest houses to local economic development through procurement of locally produced products and services in the Eden District Municipality. South Africa. *African Journal of Hospitality, Tourism and Leisure,* 5(2):01–12.

Rao, K.R.M. 2005. *Service marketing.* Singapore: Pearson Education.

Rao, V.R. (ed.). 2009. *Handbook of pricing strategy in marketing*. Cheltenham, UK: Edward Edgar Publishing.

Ravitch, S.M. & Riggan, M. 2016. *Reason & rigor: How conceptual frameworks guide research.* Singapore: SAGE.

Ridley, D. 2012. *The literature review: a step-by-step guide for students.* 2nd ed. London: SAGE.

Ritter A.R.M. & Rowe, N. 2002. Cuba: From dollarization to Euroization or Peso reconsolidation. *Latin American Politics and Society*, 44(2):99-123.

Rixon, D. 2010. Stakeholder engagement in public sector agencies: ascending the rungs of the accountability ladder. *International Journal of Public Administration,* 33(7):347–356.

Rodgers, J. 2001. *Travel and tourism.* Oxford, UK: Heinemann Educational Publishers.

Rusike, V. & Chitambara, P. 2012. *Organising in the Zimbabwe hospitality sector.* http://www.lrs.org.za/docs/2012%20Hospitality%20Zimbabwe%20LEDRIZ.pdf [7 March 2017].

Saarinen, J. 2010. Local tourism awareness: community views in Katutura and King Nehale Conservancy, Namibia. *Development Southern Africa,* 27(5):712-724.

Salvatore, D., Dean, J.W. & Willett, T. (eds). 2003. *The Dollarization Debate*. New York: Oxford University Press.

Samaita, K. 2018. *Using the Rand would help Zimbabwe out of economic crisis, MDC Alliance says.* https://www.sowetanlive.co.za/news/africa/2018-10-10-using-the-rand-would-help-zimbabwe-out-of-economic-crisis-mdc-alliance-says/ [12 October 2018].

Sanderson, A. & Pierre, L. 2017. Tourism an engine of wealth creation in Zimbabwe. *International Journal of Economics and Financial Issues,* 7(2):129–137.

Sautter, E.T. & Leisen, B. 1999. Managing stakeholders: a tourism planning model. *Annals of Tourism Research*, 26(2):312-328.

Saxena, A. 2008. *Enterprise contract management*. Plantation, FL: J. Ross Publishing.

Schuler, K. 2000. *Basics of dollorisation.* https://www.globalpolicy.org/pmscs/30435.html [09 June 2020].

Schuler, K. 2005. Some theory and history of dollarisation. *Cato Journal,* 25(1):115–125.

Schutte, I.C. 1999. The role of price sensitivity and pricing in the demand for accommodation of local visitors in the Kruger National Park. Unpublished thesis, University of Pretoria, Pretoria.

Scott, J. (ed.). 2014. *A dictionary of sociology*. 4th ed. Oxford, UK: Oxford University Press.

Seaton, A.V. & Bennett, M.M. 1996. *The marketing of tourism products: concepts, issues and cases.* London: Thomson Learning.

Selin, S.W., Schuett, M.A. & Carr, D. 2000. Modelling stakeholder perceptions of collaborative initiative effectiveness. *Society and Natural Resources,* 13:735-745.

Sevilla, C.G., Ochave, J.A., Punsalan, T.G., Regala, B.P. & Uriate, G.G. 1992. *Research methods*. Quezon City, Philippines: Rex Book Store.

Shahnazarian, D., Hagemann, J., Aburto, M. & Rose, S. n.d. *Informed consent in human subject research.* https://oprs.usc.edu/files/2017/04/Informed-Consent-Booklet-4.4.13.pdf [08 May 2019].

Shamoo, A.E. & Resnik, D.B. 2009. *Responsible conduct of research.* New York: Oxford University Press, Inc.

Sharply, R. 2006. *Travel and tourism*. London: SAGE.

Sharpley, R & Knight, M. 2009. Tourism and the state in Cuba: from the past to the future. *International Tourism of Research,* 11(1):241–254, September 2.

Shostack, G.L. 1982. How to design a service? *European Journal of Marketing,* 16(1):49–63.

Sibanda, G. 2017. *Time Zimbabwe considers Rand*. http://www.herald.co.zw/time-zimbabwe-considers-rand/ [26 March 2017].

Sikwila, N. 2013. Dollarisation and the Zimbabwe's economy. *Journal of Economics and Behavioral Studies,* 5(6):398–405.

Singh, R. & Mangat, N.S. 1996. *Elements of survey sampling*. New Delhi: Springer-Science+Business Media, B.V.

Singh, Y.K. 2010. *Research methodology.* New Delhi: APH Publishing.

Siyabona Africa. 2018. *Livingstone Victoria Falls travel guide*.http://www.siyabona.com/livingstone-victoria-falls-travel-g uide.html [04 November 2018.

Smit, L. 2020. Tourism sector recorded slight growth in 2019. https://www.namibiansun.com/news/tourism-sector-recorded-slight-growth-in-20192020-08-12/ [17 August 2020].

Spenceley, A. 2008. *Responsible tourism: critical issues for conservation and development.* Abingdon-on-Thames, UK: Routledge.

Spencer, R. 2016. *Development of tourism: lessons learn from Cuba*. London: Routledge Taylor and Francis Group.

Springett, K. & Campbell, J. 2006. *An introductory guide to putting research into practice.* file:///C:/Users/212197533/Downloads/AN_INTRODUCTORY_GUIDE_TO_PUTTING_RESEARCH_INTO_PRA%20(1).pdf [20 October 2018].

Staden, G. 2011. *Beyond the Victoria Falls: Forumsys into Zambia, Zimbabwe, Botswana and Namibia*. Cape Town: Struik Travel and Heritage.

Statista. 2018a. *Zimbabwe: Growth rate of real gross domestic product (GDP) from 2012 to 2022 (compared to the previous year)*. https://www.statista.com/statistics/455282/gross-domestic-product-gdp-growth-rate-in-zimbabwe/ [20 May 2018].

Statista. 2018b.*Occupancy rate of hotels in South Africa from 2010 to 2021.* *https://www.statista.com/statistics/737007/occupancy-rate-of-hotels-in-south-africa/* [20 May 2018].

Stiving, M. 2011. *Impact pricing: your blueprint for driving profits*. Irvine, CA: Entrepreneur Press.

Stoute, K. 2015. *Help I am rich! Your compass to a value-adding private banking experience.* Singapore: John Wiley and Sons.

Sturman, M.C., Corgel, J.B. & Verma, R. 2011. Four paths to success in the hospitality industry. In Sturman, M.C., Corgel, J.B. & Verma, R. (eds.). *The Cornell School of Hotel Administration on hospitality: Cutting edge thinking and practice*. Hoboken, NJ: Wiley & Sons, Inc: 1-4.

Tassiopoulos, D. (ed.). 2008. *New tourism ventures: an entrepreneurial and managerial approach.* 2nd ed. Cape Town: Juta and Company Ltd.

Taylor Jr, H.L & McGlynn, L. 2008. International tourism in Cuba: can capitalism be used to save socialism?. *Elsevier*: 30, November 406.

Tesone, D. 2010. *Principles of management for the hospitality industry*. Oxford: Elsevier Ltd.

Thomas, J. H., Kitterlin-Lynch, M., & Lorenzo Del Valle, D. 2015. Cuba's future hospitality and tourism business: opportunities and obstacles. *Cornell Hospitality Reports*, 15(11):6-16.

Timothy, D.J. 1998. Cooperative tourism planning in a developing destination. *Journal of Sustainable Tourism*, 6(1):52-68.

Tosun, C. & Timothy, D.J. 2001. Shortcomings in planning approaches to tourism development in developing countries: the case of Turkey. *International Journal of Contemporary Hospitality Management,* 13(7):352–359.

Tranfield, D., Denyer, P. & Smart, P. 2003. Towards a methodology for developing evidence-informed management knowledge by means of systematic review. *British Journal of Management,* 14(13):207–222.

Tshili, N. 2007. *US$, bond notes value remains at par — RBZ*. https://www.herald.co.zw/us-bond-*notes*-value-remains-at-par-rbz/ [08 September 2018].

Tse, T.S.M. 2006. Crisis management in tourism. In Buhalis, D & Costa, C. (eds). *Tourism management dynamics: trends, management and tools.* Oxford, Butterworth-Heinemann: 2838.

UK Government. 2018. *Travel advice: Zimbabwe*: https://www.gov.uk/foreign-travel-advice/zimbabwe [19 May 2018].

Veal, A.J. 2011. *Research methods for leisure and tourism: a practical guide.* 4th ed. Harlow, UK: Pearson Education.

Verma, H.V. 2008. *Service marketing: Text and cases*. Delhi: Dorling Kindersley (India) Pvt. Ltd.

Victoria Falls Guide. 2017. *Victoria Falls weather*. http://www.victoriafalls-guide.net/victoria-falls-weather.html [02 June 2017].

Victoria Falls Guide. 2018a. *History of Victoria Falls.* https://www.victoriafalls-guide.net/history-of-victoria-falls.html [26 October 2018].

Victoria Falls Guide. 2018b *Kariba houseboat - Binga side.* https://www.victoriafalls-guide.net/kariba-house-boat.html [16 May 2018]**.**

Victoria Falls Guide. 2018c. *Victoria Falls weather*. https://www.victoriafalls-guide.net/victoria-falls-weather.html [26 October 2018].

Victoria Falls Guide. 2018d. *Victoria Falls accommodation.* https://www.victoriafalls-guide.net/victoria-falls-accommodation.html [03 November 2018].

Victoria Falls Hotel. 2018a. *Discover more about the Victoria Falls Hotel.* https://www.victoriafalls.com [20 April 2018].

Victoria Falls Hotel. 2018b. *Victoria Falls specials and packages*. https://www.victoria-falls-hotel.com/packages/#luxurypackage [16 May 2018].

Victoria Falls Hotel. 2018c. *Accommodation*. http://www.victoriafallshotel.com/rooms/9/standard-rooms [18 August 2018].

Victoria Falls Tours. n.d. *Victoria Falls and Livingstone accommodation map and Victoria Falls tours.* http://www.victoriafallstours.co.za/vicfalls_map.html [26 October 2018].

VictoriaFalls24.com. 2018. *African Sun to re-launch hotels.* https://victoriafalls24.com/blog/2011/06/24/african-sun-to-re-launch-hotels/ [18 October 2018].

Viljoen, J. & Marawanyika, G. 2017. *Prudent for Zim to use Rand.* https://www.biznews.com/africa/2017/03/23/sa-rand-zimbabwe-bankers/ [26 March 2017].

Vinga, A. 2018. *Zimbabwe: EU tourist arrivals in Zimbabwe up 29 Percent*. https://allafrica.com/stories/201811130755.html [20 March 2019].

Walton, N. n.d. *What is research ethics?* https://researchethics.ca/what-is-research-ethics/ [08 May 2019].

Wam, S. 2002. *Recreation and tourism: A changing industry.* Cheltenham, UK: Nelson Thornes Ltd.

Wang, X. 2001. Assessing public participation in U.C. Cities. *Public Performance and Management*, 24(4):322–336.

Watkins, M. & Bell, B. 2002. The experience of forming business relationships in tourism. *International Journal of Tourism Research,* 4:15–28.

Weinstein, A. 2012. *Superior customer value: Strategies for winning and retaining* customers*.* 3rd ed. Boca Raton, FL: CRS Press.

Wisansing, J. 2004. Tourism planning and destination marketing towards a community-driven approach: a case of Thailand. Unpublished PhD thesis. Lincoln University, Canterbury, UK.

Wood, D.J. & Gray, B. 1991. Towards a comprehensive theory of collaboration. *The Journal of Applied Behavioral Science*, 27(1):139-162.

Wyse, S.E. 2011. *What is the difference between qualitative research and quantitative research*? https://www.snapsurveys.com/blog/what-is-the-difference-between-qualitative-research-and-quantitative-research/ [25 March 2017].

Yeshin, T. 2006. *Sales promotion.* London: Thomson Learning.

Yin, R.K. 2009. Case study research: Design and methods. 4th ed. Thousand Oaks, CA: SAGE.

Yuksel, F., Bramwell, B. & Yuksel, A. 1999. Stakeholder interviews and tourism planning at Pamukkale, Turkey. *Tourism Management*, 20:351-360.

Young, F.C. & Pagoso, C.M. 2008. *Principles of marketing*. Quezon City, Philippines: Rex Book Store

Zappiano, V. 2005. Caribbean tourism and development: An overview. Discussion paper No.65. Cosenza: European Centre for Development Policy Management.

Zhou, Z. 2018. A survey of visitor satisfaction at Victoria Falls Rainforest. *African Journal of Hospitality, Tourism and Leisure*, 7(1):1-15.

Zimbabwe Mail, The. 2018. *We have to bring back Zim Dollar – Prof. Mthuli Ncube.* https://www.thezimbabwemail.com/main/over-time-we-have-to-bring-back-zim-dollar-prof-mthuli-ncube/ [11 September 2018].

Zimbabwe Tourism Authority (ZTA). 2008. *Tourism trends and statistics.* Harare: Government Printer.

Zimbabwe Tourism Authority (ZTA). 2015. *Tourism trends and statistics.* Harare: Government Printer.

Zimbabwe Tourism Authority (ZTA). 2016. *Tourism trends and statistics.* Harare: Government Printer.

APPENDICES

APPENDIX A: INFORMED LETTER OF CONSENT

Cape Peninsula
University of Technology

Farai Chimba
Hospitality Association of Zimbabwe

My name is Marian Njera student number 212197533 and I am an MTech: Tourism and Hospitality Management student at Cape Peninsula University of Technology. As part of the qualification students are required to conduct research. The town of Victoria Falls has been identified as a potential area to conduct my research. The title of the study reads as follow:

"The perceived impacts of possible currency change on accommodation establishments in a selected Zimbabwean Town"

The study will assess the perceived impacts of possible currency change on accommodation establishments in the Town of Victoria Falls. Additionally the study will also ascertain the pricing structure among accommodation establishments, their level of involved in the discussions of possible currency change and their preferred currency should the adoption of a new currency be implemented. Should you wish to verify the authenticity of this project, please contact Dr Ncedo Ntloko who is my supervisor on this email ntlokon@cput.ac.za or call +27 21 460 3012/2.

Getting approval to do this study from the association is important for ethical considerations as required by Cape Peninsula University of Technology. Please forward e-mail confirming approval to: ntlokon@cput.ac.za and 212197533@mycput.ac.za or mariannjera@gmail.com

Kind regards,

FACULTY OF BUSINESS AND
MANAGEMENT SCIENCES
TOURISM AND EVENTS MANAGEMENT

2 2 MAY 2018

Cape Peninsula
University of Technology

Miss Marian Njera
MTech Student
Cell: +27 78 991 9042
Email address 212197533@mycput.ac.za or mariannjera@gmail.com

145

APPENDIX B: PERMISSION LETTER FROM HOTEL ASSOCIATION OF ZIMBABWE

MATABELELAND NORTH PROVINCE

6 June 2018

REF: (MARIAN NJERA – 212197533) TO CONDUCT RESEARCH

Dear Marian

Following your email requesting permission to conduct research in Victoria Falls for your study; **"The perceived impacts of possible currency change on accommodation establishments in a selected Zimbabwean Town"** We are happy to assist in facilitating research with our member's.

Kindly note individual property guidelines will be applicable for your research.

Yours sincerely

Farai Chimba

Chairman Matabeleland North
Hospitality Association of Zimbabwe

APPENDIX C: ETHICS APPROVAL FROM CPUT

Office of the Chairperson Research Ethics Committee	**Faculty:**	**BUSINESS AND MANAGEMENT SCIENCES**

At a meeting of the Faculty's Research Ethics Committee on **19 June 2018**, Ethics **Approval**

was granted to **Marian Njera (212197533)** for research activities of **MTech: Tourism and**

Hospitality at Cape Peninsula University of Technology.

Title of dissertation/thesis/project:	PERCEIVED IMPACTS OF POSSIBLE CURRENCY CHANGE ON ACCOMMODATION ESTABLISHMENTS IN A SELECTED ZIMBABWEAN TOWN Lead Researcher/Supervisor: Dr. N Ntloko

Comments:

Decision: APPROVED

	9 July 2018
Signed: Chairperson: Research Ethics Committee	**Date**

Clearance Certificate No | 2018FBREC549

147

APPENDIX D: QUESTIONNAIRE

Cape Peninsula
University of Technology

Survey no. ☐☐☐

ACCOMMODATION ESTABLISHMENTS SURVEY

PERCEIVED IMPACTS OF POSSIBLE CURRENCY CHANGE ON ACCOMMODATION ESTABLISHMENTS IN A SELECTED ZIMBABWEAN TOWN

This questionnaire seeks to ascertain the perceived impacts of possible currency change on accommodation establishments in Victoria Falls Town. The completion of the questionnaire will take about 10 minutes. Your confidentiality in participating in this study will be strictly maintained. Participation in this study is voluntary.

Please indicate your response by putting a mark (√ **or** X**)** on the answer.

SECTION 1: PROFILE OF THE ESTABLISHMENT

1.1   What type of accommodation is your establishment?

Hotel	Lodge	Safari Camp	Resort	Bed and Breakfast	Backpacker	Hostel
Other (Specify)						

1.2   Please indicate your position in the establishment by selecting one of the options below

Owner	Manager	Owner and Manager

1.3   How long have you been in this position?

Less than 6 months	6-12 months	2-5 years	6-9 years	10-14 years	15-19 years	More than 20 years

1.4   How long has the establishment been operating?

148

Less than 6 months	6-12 months	2-5 years	6-9 years	10-14 years	15-19 years	More than 20 years

1.5 What is the star grade of the establishment?

Not rated	1-star	2-star	3-star	4-star	5-star

1.6 Are you affiliated to any business forum in the area?

Yes	No

1.7 What type of enterprise is your accommodation?

Micro (1– 4 employees)	Small (5–10 employees)	Medium (11–50 employees)	Large (more than 50 employees

SECTION 2: PRICING STRUCTURE AND PREFERENCE

2.1 What currency are you using for pricing your establishment?

US$	Rand	Pula	ZW$	Pound	Other (Specify)

2.2 Before using the currency cited in 2.1, have you used a different currency in pricing your establishment?

2.2.1

Yes	No

2.2.2 If yes, please specify the type of currency_____

2.3 What is currency used by most accommodation establishments in Victoria Falls?

US$	Rand	Pula	ZW$	Pound

2.4 What was your preferred currency before the adoption of US Dollar as Zimbabwe's official currency? _____

2.5 How would you rate the performance of your establishment then, as compared to now?

Poor	Average	Good	Excellent

2.6 Should Zimbabwe adopt a new currency, what is your preferred currency? Mention one only_____

2.7 Which of the following pricing strategies apply to your business?

☐ Charge low prices to attract more customers (Penetration pricing)

☐ Charge high prices to create a perception of high quality (Premium pricing)

☐ Charge high prices for new services which will be lowered over time (Skimming pricing)

☐ Charge lower prices for several services put together as package (Bundle pricing)

2.8 Which market do you consider as your key market? Select one.

African	American	European	Asian	Australian	Other (Specify)

SECTION 3: INVOLVEMENT OF ACCOMMODATION ESTABLISHMENTS IN THE ADOPTION OF A NEW CURRENCY

3.1 Do you think government values the importance of accommodation sector in the economy of Zimbabwe?

Yes	No

3.2 Before the adoption of the US$ as Zimbabwe's currency, was your establishment involved in the discussions?

Yes	No

3.2.1   If yes, how were you involved? _____

3.2.2   If no, what was your main reason? Select one

Have never been invited	
There was no platform created by the government to discuss	
Did not have time to attend	
There was no value in attending such discussions	
Other (Specify)	

3.2.3   Are you aware of the participation of other accommodation establishments?

Yes	No

3.4   How do you rate the level of previous government in engaging the accommodation sector on the adoption of US$ as Zimbabwe's currency?

Very Poor	Poor	Average	Good	Very Good

3.5   With the most recent political change in Zimbabwe (New President):

3.5.1   Are you aware of the discussions being held in the country by different stakeholders concerning possible currency change?

Yes	No

3.5.2   Are you involved in these discussions?

Yes	No

3.5.3 If no, what is your main reason for not being involved? Select one

Have not been invited	
I am not aware of a platform for such	
I don't have time to attend	
There is no value in attending such discussions	
Other (Specify)	

3.6 Are you in favour of the government changing the current currency?

Yes	No

<div style="background:#cccccc">

SECTION 4: IMPACTS OF CURRENT CURRENCY ON YOUR BUSINESS

</div>

To what extent do you agree with each of the following statements about the impact of current currency on your business? Please indicate your choice by selecting one option below:

Strongly Disagree – SD Disagree – D Neutral –N Agree –A Strongly Agree –SA

	SD	D	N	A	SA
	1	2	3	4	5
Pricing our services in US$ enhances price stability					
Accommodation is expensive compared to neighbouring countries					
Accommodation is less competitive compared to neighbouring countries					
Pricing in US$ attracts more tourists					
Pricing in US$ shortens the duration of tourists stay					
Cash withdrawal limits the stay of tourists as a result of cash shortage in banks and ATMs					
Clients enjoy value for money by staying with us					

The forecast for future business looks positive if the US$ remains the unchanged					
Business is not affected by the shortage of US$ in banks and ATMs					
Substitution of cash payments with electronic payments for local transactions helps us to operate smoothly on daily basis					
The use Point of Sale Machines makes it possible for international clients to pay for accommodation					
Clients perceive accommodation as expensive					

SECTION 5: PERCEIVED IMPACTS OF CURRENCY CHANGE ON YOUR BUSINESS

To what extent do you agree with each of the following statements about the perceived impacts of currency change on your business? Please indicate your choice by selecting one option below:

Strongly Disagree – SD Disagree – D Neutral –N Agree –A Strongly Agree –SA

	SD	D	N	A	SA
	1	2	3	4	5
Currency change will attract many international tourists					
Changing pricing to a different currency will grow the regional and domestic market					
Tourists will stay longer if accommodation and other tourism services are priced in a different currency					
My business will compete equally with others accommodation establishments in the Southern African region.					
Currency change will guarantee tourists value for money					
Change of currency will tackle current cash crisis problems					
The change of currency will be the best solution for my business					

Thank you for your participation

APPENDIX E: PEARSON CHI-SQUARE RESULTS

Table 1: Pearson chi-square results on the involvement of accommodation establishments in the discussion of currency change before adopting the us$ as Zimbabwe's currency and during the current currency change discussions.

STATEMENTS	*p*-values
Involvement of accommodation establishments in currency change discussions	0.000

Table 2: Pearson chi-square results reflecting the relationship between awareness and involvement of accommodation establishments in the current currency change

STATEMENTS	*p*-values
Awareness and involvement of accommodation establishments in the current currency change	0.000

Table 3: Pearson chi-square results on the reasons for not participating in the currency change discussion during Mugabe era and during Mnangagwa era

STATEMENTS	*p*-values
Reasons for not participating in the discussions during Mugabe era and during Mnangagwa era	No statistics are computed because reasons for not participating in discussions is a constant.

APPENDIX F: GRAMMARIAN LETTER

<div align="right">

22 Krag Street

Napier

7270

Overberg

Western Cape

10 October 2019

</div>

LANGUAGE & TECHNICAL EDITING

Cheryl M. Thomson

PERCEIVED IMPACTS OF POSSIBLE CURRENCY CHANGE ON ACCOMMODATION ESTABLISHMENTS IN A SELECTED ZIMBABWEAN TOWN

Supervisor: Dr Ncedo Jonathan Ntloko

This is to confirm that I, Cheryl Thomson, executed the language and technical editing of the above-titled Master's dissertation of MARIAN NJERA, student number 212197533, at the CAPE PENINSULA UNIVERSITY OF TECHNOLOGY in preparation for submission of this dissertation for assessment.

Yours faithfully

CHERYL M. THOMSON

Email: cherylthomson2@gmail.com

Cell: 0826859545