

Influence of Selected Sports Tourism Activities on Performance of Registered Tour Operator Firms in Nairobi City County, Kenya

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Abstract: Sporting activities serve as catalysts for promoting development of tour operator firms in most developed and developing countries. However, there are few studies that have been carried out that focuses on sports activities, and how they influence tourism development. This is especially in relation to the effect of sporting activities on performance of Tour Operator Firms in Kenya. This study sought to establish the influence of selected (athletics, ball games, water sports and motor-sports) sporting activities on performance of registered tour operator firms in Nairobi City County, Kenya. The theoretical framework was both the Intrusion-Reaction and the Core Periphery Models. The study adopted a descriptive survey research design and whose target population was 248 individuals made up of 244 leaders of tour operator firms in Nairobi County registered with the Kenya Association of Tour Operators (KATO) as of October 2022, and whose operations are within Nairobi City County. It also included the Director, ministry of tourism and wildlife, County Executive Committee Member in charge of Trade, Tourism and Cooperatives at the Nairobi City County, the Director Kenya Tourism Board, and the Director General Sports Kenya. The sample size was 154 respondents was arrived at through stratified sampling and random sampling. This study used semi-structured questionnaire and key informant interviews as tools for primary data collection. To uphold research ethics, respondents filled the questionnaires anonymously while data obtained was handled with utmost confidentiality. The study used data analysis techniques that are favorable to both quantitative and qualitative methods. Where necessary, the data analysis was supported by Statistical Software for Statistical Sciences (SPSS) version 24. Output of data analysis has been presented in tables and graphs. Though most TOFs are never involved in athletics, there are those who participate in local athletics and in international athletics activities once or twice a year. It is same in ball games but often in local events and to a lesser extent on international events, 3 to 4 times year. On motor sports those involved and them that participates do so rarely mostly at international level at less than 2 times in a year. TOFs involvement in water sports is mostly rarely and often at international level than local at a frequency of less than twice a year. There were other sports TOFs were involved though this were not the majority. Majority of TOFs do branding and advertising during sport events often, and are aware of the branding and advertising opportunities presented by sports events Most relevant games to them are ball games, darts, motorsports, scuba, snorkeling and watersports- dhow safari, though none of these sports were outrightly substantially favored by the firms, and the resultant income is mostly from local activities when compared to international activities. Athletics is positively correlated to TOFs performance and the relationship is statistically significant at $r < 0.5$. Ballgames is directly correlated to TOFs performance but it is not statistically significant at $r > 0.05$ Motor sports is directly correlated to TOFs performance but the relationship is not statistically significant at $r > 0.05$. Water sports is directly correlated to TOFs performance and the relationship is statistically significant at $r < 0.01$. Insights from the study could enhance TOFs' management capacity to utilize sports tourism for better financial performance. Strategic planners in tourism industry could also gain from the study since it could help them develop effective strategies that transform sporting activities into opportunities for real wealth. Findings could also guide the government to develop relevant policies that enhance tourism development.

Keywords: Athletics, Ballgames, motor sports, waters sports, sports tourism, tour operator firms.

I. INTRODUCTION

Sporting activities have emerged as key components that could enhance performance of tour operator firms. Sports tourism could result to big earnings for hosting countries and tour operator firms in that country (Belenkiy & Riker, 2012). Tour operator firms are therefore in a race to develop tourism related products services and concepts that touch on sports tourism. Subsequently, many destinations the world over stand out and are increasing their competitive edge in the international arena, guided by issues such as profitability and market share (Njoroge, Akama, & Buyeke, 2015). The relationship between sport, tourism and business of TOFs is multi-faceted. There is a wide range of sporting categories, associated sports tourism and ultimate benefits to TOFs guided by issues such as health, recreation, leisure, management of free time, cognitive values of the tourists and economic concerns (Ratkowski & Ratkowska, 2019). Another concern is the contribution (direct and/or indirect) of sponsorships to business opportunities (Hasaan, Kerem, Biscaia, Kwame and Agyemang, 2015)

In Kenya, where tourism is a leading foreign exchange earner, significance of sporting activities is still developing and less researched (Kimbu & Ngoasong, 2013). Nairobi as a tourists' destination city attracts visitors from both the domestic and international markets, who visit either as holiday-makers, on business trips or to attend conferences (Gitari, 2016). For this reason, sporting activities should generally be viewed as a major component for the performance of tourism industry, and specifically in enhancing performance of tourism firms. It is on this background that this study sought to investigate how sporting activities affect the performance of tour operator firms within Nairobi City County. The study aimed at establishing what is the role of tourism sporting activities on performance of tour operator firms that are based in Nairobi City County.

II. STATEMENT OF THE PROBLEM

Sporting activities serve as catalysts for promoting development of tour operator firms in most developed and developing countries (Bergier, Kubinska & Bergier, 2013). Kenya, hosts and receives participants during mega sports activities from various countries across the world who also visit tourist attractions (Kabaka, 2011). These sports include athletics (for example International Association of Athletics Federations (IAAF) under 20 championships), ball sports (such as Kenya Open golf tournament, Safari sevens rugby and international football matches), motor sports (for example, the World Rally Championship) and water sports (such as windsurfing and rafting). Though Kenya has great potential for sporting activities, little has been done on how to leverage sports with entrepreneurial development and enhanced business performance of tour operator firms (Kimbu & Ngoasong, 2013, Othman and Rosli, 2011). Past studies that focused on contribution of sporting activities found immense contribution to tourism development with significant economic impacts in Kenya generally and specifically in Nairobi City County (Gitari, 2016). Though these and other studies have been conducted, studies with a specific focus on how sport tourism associated to different sport categories contributes and its influence on business performance of registered Tour Operator Firms in Kenya are scanty and inconclusive since this is an area that is nascent in the Kenya tourism landscape. This further shows a contextual and conceptual gap since most studies are seemingly in developed or other countries. Inability to understand the contribution of sport tourism to TOFs business performance is a knowledge gap that should be filled so as to improve on future policy guidelines, particularly in Nairobi County, a metropolitan that hosts majority of TOFs in Kenya. This study aimed at bridging this existing gap whereby it established the Influence of Selected Sports Tourism Activities on Performance of Registered Tour Operator Firms in Nairobi City County, Kenya.

III. LITERATURE REVIEW

The study was guided by the following theoretical framework.

Intrusion-Reaction Model

The intrusion-reaction model whose major proponent is Harry Hiller (1995) was one theory on which this paper is grounded. This model is premised on the assumption that conventions represent a unique avenue of tourism whose effect and outcome offer ecological-differentiation distinctly apart from that of the host society. The model argues that providing conventioners with an entire range of services that covers them completely, and this within a very well-planned convention activity would lead to an intrusion-reaction response that arise from the hosting city. However, this is only attained when the convention's threshold qualifies it to be a mega-event in terms of size. In furtherance of this model precepts, the hosting city will enjoy benefits associated to interaction (and which are beyond economic benefits). These benefits are potentially able to transform the relationship between this convention and the hosting city (Hiller, 1995). This study aimed at proofing that sporting activity and subsequent tourism in the host city get substantially strengthened to become better if economic benefits are not just generalized but reach a specific segment of the society and in this case, the TOFs.

Core Periphery Model

This study was also based on Core-Periphery Model whose main proponent is John Friedmann (1966). The model displays dispersion within the space of economy, politics and cultural authority from core and dominant regions towards surrounding peripheral and semi-peripheral regions (Friedmann, 1966). This model explains regional development with a focus on development that is spatially diversified. The model could explain the reason as to why one could find some inner-city areas that are considerably more prosperous, but others demonstrate deprivation and urban poverty, even though in general urban areas got evident advantage when compared rural areas that are more in the periphery (Klimczuk & Klimczuk-Kochańska, 2019). The model works has a wide range of application that include towns and cities, to the wider global scale. In this model, core regions are regarded as centres, and are in most cases metropolitan. Typically, the centres possess a huge potential for innovativeness and higher growth. More succinctly it posits the effect of movement of tourists into the developing countries (which are peripheral regions) from the core, which is context represent developed countries. On the global scale, the core (developed world) have the well-established and big tour operators, major airlines and hotel owners and thus they control the tourism industry.

Resource Based View (RBV)

Resource-Based View (RBV) is a theoretical framework in strategic management that places emphasis on a company's internal resources and competencies as sources of long-term competitive advantage (Raduan, Jegak, Haslinda, & Alimin, 2009). The RBV's central thesis is that not all resources are created equal and that businesses can gain a competitive edge by holding and using special and valued resources that are challenging for rivals to imitate (Alexy, West, Klapper, & Reitzig, 2018). Resources can be defined as three types of assets: human capital (the abilities and skills), intangible assets (such patents, brand recognition, or organizational expertise), and tangible assets (like buildings and equipment).

Applying the Resource-Based View (RBV) to the influence of selected sports tourism activities on the performance of registered tour operator firms in Nairobi City County, Kenya, involved examining the unique resources and capabilities that these firms possess and leverage on to gain a competitive advantage in the sports tourism market. In this context, resources may include tangible assets such as specialized tour vehicles, exclusive relationships with sports event organizers, or prime locations for accommodations. Intangible assets could involve brand reputation, industry expertise, and knowledge about specific sports events or cultural nuances that enhance the tour experience. The RBV framework suggests that for these registered tour operator firms to outperform their competitors, their resources must be valuable, rare, difficult to imitate, and lack ready substitutes. For instance, a tour operator with a unique and well-established relationship with a popular sports event may have a rare and valuable resource that contributes to a competitive edge. Similarly, possessing a highly skilled and knowledgeable workforce that can cater to the specific demands of sports tourists might be a source of sustained competitive advantage. Additionally, dynamic capabilities become crucial within the RBV framework when considering the rapidly changing nature of the sports tourism industry. Tour operators need the ability to adapt and reconfigure their resources to stay competitive amidst evolving trends, changing consumer preferences, and the dynamic nature of sports events.

IV. EMPIRICAL LITERATURE REVIEW

Extremely high costs incurred by bidding host cities leads to very high financial risks making cities in poor countries such as Nairobi to be apprehensive (Kipchumba, Jepkorir, & Chepyator, 2015 Cromartie and Burgo (2020)). There is short run legacy effect after hosting a game (Moss, Gruben and Moss, 2019). Comparatively, Olympic Games do not always lead to an expansion of tourism but instead sometimes a sharp decrease Delaplace (2019). For example, at London Games (2012) the number of those that attended the famous theatres in the city declined, same as hotel bookings during the Beijing's Olympic summer games of 2008 (Wallenfledt, 2020, Augustyn, 2021). This could be explained by the fact that during sport events people seek a sense of camaraderie more than a social interaction Gillett's study (2011). Internationally, benefits that accrue to sponsors of athletes are usually driven by brand recognition (Hasaan, Kerem, Biscaia, Kwame & Agyemang, 2015). For example, whenever athletes a selected to represent the country in international competitions, there is a resultant positive stock-price change as experienced in Japan (Mori, Morino, & Takeda, 2019). Furthermore, there is a correlation between the motor sports and the performance of tour firms in addition to regional identity and heritage related to the motor sport industry (Tranter and Lowes, 2007). In retrospect, socioeconomic development of host countries is affected positively through hosting of FIFA World Cups (Kochkurova & Zykova, 2019, Vierhaus, 2018). In Kenya, government's policies do affect the tourism industry and subsequently the tour operator firms. In the same light, participation in exhibitions outside the country is a policy strategy to build successful tourism businesses for indigenous entrepreneurs (Mary, 2013).

V. RESEARCH METHODOLOGY

This descriptive survey research focused on the Influence of Selected Sports Tourism Activities on Performance of Registered Tour Operator Firms in Nairobi City County, Kenya, with a focus on four sports, athletics, ballgames, water sports and motor sports) Government policies were identified as intervening variables shaping the relationship between the selected sports activities and TOFs' performance. The study targeted 248 individuals from organizations potentially impacted by its findings, primarily managers of the 244 registered TOFs in Nairobi County under the Kenya Association of Tour Operators (KATO) as of October 2022. Sampling methods included purposive, probability proportional, and random sampling, resulting in a sample size of 156 respondents. Data collection used a semi-structured questionnaire and key informant interviews, personally administered by the researcher. Data collection was only carried out after the Graduate School of Kenyatta University had approved the project and granted the authorization letter. Using this letter, a research permit was applied for at the National Commission for Science, Technology and Innovation (NACOSTI) which then introduced the researcher to the respondents. After this, the process of data collection began. The respondents were made aware that data collection is voluntary and that they should fill the questionnaires anonymously. All personal details about the clients have been kept confidential during and after data collection. Respondents were guided to give informed consent, preservation of their rights and assured confidentiality before they receive the questionnaires. For this to be done, researcher explained to them thoroughly on structure, purpose, procedures, techniques and anticipated outcome of the research. The respondents were at full liberty of voluntarily participating and contributing their views to the study. A report's copy could be availed to whichever institution that will request. All reviewed literature has been accurately referenced to avoid plagiarism Descriptive (frequencies and percentages) analysis and inferential (Regression) analysis was done during data analysis, supported by a computer software, Statistical Package for Social Sciences (SPSS) version 24.

VI. FINDINGS

Descriptive Statistics

TOFs' involvement in athletics is limited, with a slight participation in local and international events occurring two or fewer times annually. In ball games, a significant portion of TOFs seldom participate, with involvement varying between rare, occasional, and more frequent participation, predominantly at the local level. Similarly, in motor sports, a notable percentage rarely or never participates, particularly at international events like the World Cars Rally, happening less than twice a year. Regarding water sports, while the majority of TOFs are not involved, a significant number occasionally participate, mainly at the international level, with events occurring less than twice a year. Other sports see sporadic involvement from TOFs, primarily at the local level and less than twice annually, though this is not the majority trend. Most TOFs frequently engaged in branding and advertising during sports events and recognized the associated opportunities. Although various sports such as ball games, darts, motorsports, scuba, snorkeling, and water sports like dhow safari were relevant, none were significantly favored by the firms.

Data obtained was presented in the table below. It sought data on the sporting categories the TOFs are involved in. The results showed that on athletics the frequency data showed four responses in which they were involved in 61(42.1%) were never, rarely had 32(22.1%), 'sometimes' category had 39(26.9%) and 'often' category had 13(9%). This means the most TOFs were never involved in athletics. Of these athletics local were 29 (20%), international 31(21.4%) while the rest (85) 58.6% were not applicable. On the annual number of events in which the TOFs were involved, for 1- 2 times was 38 (26.2%), 3- 4 time a was 2 (1.4%) while 5 and above were 20 (13.8%) representing while never was 85 (58.6%). On the extent to which TOFs were involved in ball games such as cricket and football study revealed a significant proportion (44.1%), of participants never got involved, 21.4% were rarely involved, 25.5 % were involved for sometimes and 9% often. Of these 82 (56.6%) were involved during local events and 12 (8.3%) were at international events while to the rest 51 (35.2%) it was not applicable. The study further obtained the annual occurrence of events at which TOFs were involved during ball games. Those for which it was 1-2 times were 35 (24.1%), 3- 4 times were 41 (28.3%), 5 and above years were 30 (20.7%) while not applicable (never) were 39 (26.9%). This implies that those in which ball events happened 3- 4 in a year had the highest percentage. Comparatively, a study by Felipe and Gregory (2022) has shown that Top English Premier League (EPL) teams have aimed their marketing efforts at wider travel audiences, especially those who are interested in venue-based club museums, match-day experiences in the stands, and corporate boxes. While there are a number of potential benefits to this initiative, such as profit for TOFs, a number of disadvantages have also been noted, especially by local supporters. These disadvantages include tourists ruining the atmosphere of the match, tourists acting rudely, and increased ticket prices due to tourist demand. This may have a detrimental effect on the revenue generated by football games.

The study obtained data on the extent to which TOFs were involved in Motor sports. On frequency a significant proportion of participants either chose rarely 76 (52.4%) or never 69 (47.6%). On the level of motor sports, local category had 25 (17.2%) responses, international had 57 (39.3%) while that without response (not applicable) had 63 (43.4%). The study further obtained data number of annual events for motor sports for which the TOFs were involved. For 1- 2 times, percentage was 42.8%, for 3- 4 times 13.8%, and never was 43.4%. Comparatively, a study by Byon, Zhang and Jang, (2022) has shown that motorsport enthusiasts are catered to by tourism operator firms that specialize in planning and facilitating motorsport-related events. They provide a range of products, such as travel packages, track experiences, race tickets, guided tours, and corporate hospitality.

The study obtained data TOFs involvement in water sports. To majority of participants, they never participated at 110 (75.9%) at category followed by rarely at 27 (18.6%). The level of water sports they were involved was either local at 40.7% or international 49% for them that were involved. The numbers for these levels were as follow 59, 71 and 15 respectively. Of the water sports events that took place, 1- 2 times a year were 30 (20.7%) 3- 4 times were 15 (10.3%), 5 and above were 29 (20%) and never, were 71 (49%). The study obtained data on other sports in which the TOFs are involved. The results showed that significant proportion 108 (74.5%), of respondents had never, 18 (12.4%) rarely and 19 (13.1%) sometimes, meaning most firms never engaged in other sports. Where they did they were mostly at local level at 20 (13.8%). On the annual number of times the events took place, for those that did it was 16 (11%).

Study sought to determine whether TOFs did branding and advertising during sport events. Majority of participants (71, 49%) agreed that they did branding and advertising during sport events often, followed by those who did it sometimes (61, 42.1%). This suggests that most firms were aware of the branding and advertising opportunities that were presented by sports events. Furthermore, the study sought to probe into the category of sports that is more relevant to the firms. The results showed ball games had 26 (17.9%), darts 16 (11%) while 66 (45.5%) had none. Other mentioned included motorsports, scuba, snorkeling and watersports- dhow safari. The data suggests that none of the sports were outrightly substantially in favor by the firms. However, sport events are a great source of revenue for travel operator companies looking to promote and brand themselves (Greenwell, Danzey-Bussell, & Shonk, 2019) (Jeong., Kim, & Kim, 2020). Major athletic events attract a sizable audience and a great deal of attention, which these companies understand makes them perfect venues for promoting their products and travel locations (Dees, et al., 2022).

Through a qualitative question, respondents were asked to show which events brought more income to them. The local events had majority at 81 (62.7%) while those that thought it is international had 54 (37.2%). This implies higher percentage were for the local category than for the international category. It suggests local sporting effects are likely to contribute more to performance of TOFs. Arguably, both domestic and foreign events can have a substantial financial influence on Kenyan tourism operator businesses, while the exact nature of the impact varies depending on a number of variables. Because they happen often, local events like rallies or national motorsport championships can generate a consistent flow of income. They draw spectators and participants from the surrounding areas, guaranteeing a steady flow of revenue for the travel operators who package these events. Moreover, planning local events may result in reduced operating expenses and simpler accessibility for visitors and locals alike. The tourism operators may see an increase in margin as a result of this. On the other hand, major events like Formula 1 races can draw spectators from all over the world. Serving foreign visitors during such events can result in higher revenue because there is a greater demand for unique experiences, opulent lodgings, and customized packages. Furthermore, foreign visitors frequently have larger purchasing power, which could result in more expensive packages and larger profit margins for travel agencies planning trips around these occasions. In Kenya's case, holding international motorsport competitions can draw attention from a worldwide audience and possibly improve the nation's standing as a motorsport travel destination (Gunduz & Agayi, 2021). However, because they happen frequently and could have fewer operating costs, local events might provide a more reliable source of income.

An assessment of the influence of selected sports fan-base on TOFs' performance revealed that a substantial portion of respondents disagreed that fans constituted a major income source during sporting activities. However, most acknowledged that fans tended to purchase products during such events. Nevertheless, the majority disagreed that sports tourists were significant spenders, indicating that TOFs' profitability potential, market demand, and client engagement are influenced by the strength of their fan-base for a given sport. Most sports tourists were aged between 40 and 75, primarily from African countries, with an estimated annual spectator range from 50 to over 3 million. However, the number of fans using TOFs' services for tourism purposes was notably low, averaging 75.75 annually, suggesting a ratio of less than 1% conversion.

Furthermore, most respondents disagreed that they fully sponsored sporting activities in Nairobi, with about half including sports sponsorship in their annual budget. Despite this, a slight majority agreed that sponsoring sports provided advertising opportunities, although most disagreed that it was their main branding method. Nearly half agreed that sponsoring sporting events attracted more clients, with a budget typically below Ksh 1,500,000. Additionally, the study revealed that a high percentage of firms do not sponsor sporting activities regularly.

TABLE 1: INFLUENCE OF SELECTED SPORTING CATEGORIES ON PERFORMANCE OF TOFs

Variable	Parameter	Statistics N (%)	Variable	Parameter	Statistics N (%)	
Athletics frequency	Never	61 (42.1)	Water sports level	Local	59(40.7)	
	Rarely	32 (22.1)		International	15(10.3)	
	Sometimes	39 (26.9)		NA	71(49.0)	
	Often	13 (9.0)	Water sports No events annually	1	30(20.7)	
Athletics level	Local	29(20.0)		2	15(10.3)	
	International	31(21.4)		5 and above	29(20.0)	
	NA	85(58.6)	Never	71(49.0)		
No of events annually	1	38(26.2)	Any other sport	1	71(49)	
		2		2(1.4)	3	16(11.0)
		5 and above		20(13.8)	None	58(40)
	Never	85(58.6)	Any other sport frequency	Never	108(74.5)	
Ball games frequency	Never	64(44.1)		Rarely	18(12.4)	
	Rarely	31(21.4)		Sometimes	18 (13.1)	
	Sometimes	37(25.5)	Any other sport level	Local	20(13.8)	
Often	13(9.0)	International		10(6.9)		
Ball games level	Local	82(56.6)		NA	115(79.3)	
	International	12(8.3)	Any other sport No of events annually	1	16(11.0)	
	NA	51(35.2)		2	12(8.3)	
Ball games no of events annually	1- 2 years	35(24.1)		We do brand and advertising during sport events	Never	117(80.7)
	3- 4 years	41(28.3)	Sometimes		61(42.1)	
	5 and above	30 (20.7)	Often		71(49.0)	
	Never	39(26.9)	Always	13(9.0)		
Motor sport frequency	Never	76(52.4)	Category of sports that is more relevant to ones' firm	Ball games	26(17.9)	
	Rarely	69 (47.6)		Darts	16(11.0)	
				Football	13(9.0)	
Motor sport level	Local	25 (17.2)	Which one generates more income between local and international	Motorsports	12(8.3)	
	International	57(39.3)		Motorsports	7(4.8)	
	NA	63(43.4)		None	66(45.5)	
Motor sport No of events annually	1	62(42.8)	Water sports- dhow safari	Scuba and snorkeling	2(1.4)	
	2	20(13.8)		Water sports- dhow safari	3(2.1)	
	Never	63(43.4)		International	54(37.2)	
Water sports frequency	Never	110(75.9)	Local	Local	25(17.2)	
	Rarely	27(18.6)		Local	66(45.5)	
	Often	3(2.1)				
	Sometimes	3 (2.1)				

Inferential Statistics

In order to evaluate the association between sporting activities in terms of its strength and direction a correlation analysis was done. This aided in figuring out whether and how changes in specific sport activities are related to changes in another. The results are presented in the table below. Accordingly, the study revealed the following as shown in Table 2:

Athletics is positively correlated to TOFs performance and the relationship is statistically significant at $r < 0.5$. Ballgames is directly correlated to TOFs performance but it is not statistically significant at $r > 0.05$. Motor sports is directly correlated to TOFs performance but the relationship is not statistically significant at $r > 0.05$. Water sports is directly correlated to TOFs performance and the relationship is statistically significant at $r < 0.01$.

TABLE 2: CORRELATIONS BETWEEN SPORTING ACTIVITIES AND PERFORMANCE

		Correlations				
		Athletics	Ballgames	Motorsports	Water sports	TOFs Performance
Athletics	Pearson Correlation	1	.186*	-.486**	-.230**	.187*
	Sig. (2-tailed)		.025	.000	.005	.025
	N	145	145	145	145	145
Ballgames	Pearson Correlation	.186*	1	.191*	-.029	-.006
	Sig. (2-tailed)	.025		.021	.733	.944
	N	145	145	145	145	145
Motorsports	Pearson Correlation	-.486**	.191*	1	.174*	-.053
	Sig. (2-tailed)	.000	.021		.036	.526
	N	145	145	145	145	145
Watersports	Pearson Correlation	.230**	.029	.174*	1	.235**
	Sig. (2-tailed)	.005	.733	.036		.004
	N	145	145	145	145	145
TOFs Performance	Pearson Correlation	.187*	-.006	-.053	-.235**	1
	Sig. (2-tailed)	.025	.944	.526	.004	
	N	145	145	145	145	145
*. Correlation is significant at the 0.05 level (2-tailed).						
**. Correlation is significant at the 0.01 level (2-tailed).						

VII. CONCLUSIONS

Based on the findings of the study, it can be concluded that although most Tour Operator Firms (TOFs) in Nairobi City County are not heavily involved in athletics, some participate in local and international events sporadically, with ball games being more locally focused. Motor sports and water sports involvement is rare, particularly at the international level. Despite engaging in various sports, TOFs primarily focus on branding and advertising during events, although the income generated is predominantly from local activities compared to international ones. Although sports tourists don't spend significantly, those who do are typically older Africans. Sports sponsorship by TOFs is limited, with many firms incorporating it into their budget but not fully sponsoring events. However, there is a positive relationship between sports activities and increased business opportunities for TOFs, albeit without significant changes in customer patterns. Government policies, while generally supportive, present challenges such as limited access to loans and unfavorable taxation. While sports contribute to the reputation of TOFs, their impact on profitability is not straightforward, with some firms experiencing marginal profit increases. Regression analysis revealed that athletics and water sports have the most significant influence on TOFs' performance.

VIII. RECOMMENDATIONS

TOF managers are advised to increase sponsorship across various sports, particularly athletics, ballgames, motor sports, and water sports, at both local and international levels. Emphasizing branding and advertising during sporting events, especially at local levels, can attract more fans and potentially increase local sports tourism. To boost income, TOFs should convert sports fans into customers and develop products that encourage higher spending and repeat purchases during sporting activities. Targeting the African market, particularly those aged 40 to 75, can yield significant returns.

Additionally, allocating more budget towards sports sponsorship can enhance CSR, visibility, and foster new business opportunities. Policymakers in the tourism sector should review existing laws to create a favorable environment for sports tourism, including taxation and funding mechanisms, through benchmarking with other countries to ensure competitiveness and growth in the TOF sector.

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