

How does the performance of SMTEs relate to perceptions of tourists: A case of the Eastern Cape Province

Nguza-Mduba B.

Faculty of Management Sciences, Butterworth, Walter Sisulu University

Keywords

Tourists, Small and Medium-sized Tourism Enterprises; Tourism Sector; Eastern Cape Province; Intuitive Competitive Intelligence.

Abstract

The study aimed to determine perceptions of tourists towards the performance of Small and Medium-sized Tourism Enterprises (SMTEs) in the Eastern Cape Province. Eastern Cape Province is a tourist attraction area with several tourists from various countries visiting it. The study used a quantitative research approach. The study participants comprised 99 tourists who visited the province in which convenience sampling was employed. The empirical data was gathered using a semi-structured questionnaire distributed to all participants. The quantitative data was analysed using SPSS, in which descriptive statistics and regression analysis (multiple and logistic) were undertaken. Tourists indicated that SMTEs had poor infrastructure to access accommodation facilities, and the location of the facility, and service provided varied from one business owner to another.

It is recommended that there must be training of the SMTEs in various aspects such as business planning, financial management, and efficient and effective operations of the business to improve their performance for-profit and sustainability. Small business owners should apply and strengthen intuitive competitive intelligence practices for identifying clients, suppliers, and competitors as well as trying to outperform their rivals. The local government, through its different units and departments, must promote the tourism industry by providing full support to enhance the economic growth of the province. The Government should improve the road and technological infrastructure to ease access. In addition, the study should be replicated in other provinces to compare the results and learn from best practices in the tourism industry specifically in the accommodation sphere.

The introduction

Tourists, upon visiting tourist destination areas, consume goods and services offered which leads to the sustainability of Small and Medium-sized Tourism Enterprises. Tourism generates income from taxes charged and provides job opportunities to local communities and improves their standard of living, boosts the socio-economic situation of societies (Manzoor, Wei, Asif, Haq & Rehman, 2019; Boronat-Navarro, Montserrat, Escribá-Esteve, & Navarro-Campos, 2021). Tourism destinations are traditionally dominated by small and medium-sized tourism enterprises, which provide a wide range of products to tourists such as accommodation, catering, transportation, attractions, and activities (Muresan, Oroian, Harun, Arion, Porutiu, Chiciudean, Todea & Lile, 2016). Thus, this contributes significantly to the range, variety, authenticity, and quality of their positive 'tourism experience. Small and medium-sized enterprises originate a variety of benefits for tourist destinations by providing direct contact with tourists and by encouraging tourists to spend in the local community, thus stimulating the multiplier effect (Hwang & Lee, 2019). Furthermore, Hoffman and Freyn (2019) as well as Ali and Anwar (2021), believe that SMTEs should use Intuitive Competitive Intelligence (ICI) practices to succeed in the business world.

In the field of tourism, an attempt is made by different authors to define small and medium enterprises (Berisha & Pula, 2015; Dar, Ahmed & Raziq, 2017; Barinova & Zempsov, 2019). Thus, The National Small Business Act of 1996, as revised in 2003, defines a small business as "a separate distinct entity including cooperative enterprises and non-governmental organisations managed by one owner or more, including branches or subsidiaries if any is predominately carried out in any sector or subsector of the economy

mentioned in the schedule of size standards". This definition focuses on several workers, and turnover together with gross asset value of the business which looks at the quantitative aspect of small business enterprise.

The small business space in South Africa includes micro, very small, small, and medium enterprises. However, the term "small and medium enterprises" (SMEs) is generally used. One of the indicators used to classify SMEs in South Africa is the number of employees. Quantitatively, micro-enterprises in the retail sector have fewer than five employees, very small enterprises with fewer than 20 employees, small enterprises with fewer than 50 employees, and medium enterprises with fewer than 250 employees. This is like the definition of SMEs in the United Kingdom where SMEs are defined as enterprises with fewer than 250 employees (Government Gazette of the Republic of South Africa 2003; Breen, 2005; Tonis, 2015; Fatoki, 2018).

Tourists' first-time experience upon visiting a tourist attraction as an accommodation facility influences them in various ways which lead to satisfaction or no satisfaction at all. This may be a result of a few factors such as the scenic beauty, cleanliness, fresh food, and friendly staff or vice versa (Muresan, Oroian, Harun, Arion, Porutiu, Chiciudean, Todea & Lile, 2016). If tourists are satisfied with the facility, they will repeat their visits and spread word-of-mouth publicity (Lai, Hitchcock, Lu & Liu, 2018; Xu, Loi & Kong, 2020). Therefore, it is expected that SMTEs should offer the best service to tourists so that they can repeat their visit (Siyabulela, 2016). Eastern Cape Province is a tourist attraction area with several tourists coming from various countries visiting, due to its natural vegetation and beautiful beaches (Acha-Anyi, 2020). Hence, the study aimed to determine the perceptions of tourists towards the performance of SMTEs in the Eastern Cape Province.

2. Literature Review

2.1 Theoretical literature

The paper adopted the theory of Intuitive Competitive Intelligence (ICI).

2.1.1 Development of Competitive Intelligence (CI)

During the sixteenth century, competitive intelligence as a disciplinary field emerged. For example, a Byzantine emperor by the name of Justinian (483 - 565), used monks that were taken from Chinese silk production for learning how to create silk (Frauman, 1997, cited in Calof & Wright, 2008). During the seventeenth century, other historical happenings developed. Small businesses found in India applied intuition to comprehend the plans they wanted to pursue; how to access the consumer market and overcome competitors (Juhari & Stephens, 2006 as cited by Nenzhelele, 2019). Furthermore, intuition did take place amongst businesses in China over 5,000 years ago (Tao & Prescott, 2000 as cited by Calof & Wright, 2008). Some researchers used CI papers and texts, referring to the article written by Sun Tzu known as *The Art of War*, 2004 years ago. The article discussed how to develop intelligence that could be used in the military (Sun, 1988). Other authors of intelligence quote Frederick the Great (1740 - 1786), who maintained that it was impossible to be overthrown as intelligence enabled one to be aware of potential threats (Fuld, 1995; Pellissier & Nenzhelele, 2013; Nenzhelele, 2019).

Some theoretical approaches, research tools, and practices about CI have been developed in recent years to improve the performance of the business (Quoniam (2013); Nasri & Zarai (2013) as cited by Nguza-Mduba, 2020). Therefore, CI assists managers in assessing market and macro-environmental factors that may influence their businesses, to make informed, rational decisions.

2.1.2 Intuition

Sadler-Smith (2016) and Aujirapongpan, et al. (2020) believe that intuition is the way we receive, store, and process as well as retrieve information from our brains to be able to make decisions. This normally occurs when someone feels that he/she is under pressure, there is risk involved and there is a lack of information, and uncertainty prevails. A business owner may practice intuition in evaluating such internal and external competitive environmental challenges and is not certain of which one is correct (Du Toit, 2015). UK Studies, believe that intuitive thinking becomes the best business approach and relates to superior small firm performance (Loureiro & Garcia-Marques, 2018; Kiel, 2019).

The application of intuitive thinking takes place in various situations such as a lack of resources and time, information gaps, information overload, and increased levels of uncertainty (Kamila, 2018). Therefore, small tourism businesses can improve their performance by applying the intuitive thinking style when confronted with urgent decisions. For example, when they have to organise an alternative accommodation for a walk-in guest and the facility is fully booked.

Van Rensburg and Ogujiuba (2020) view intuition from mind-power ability as the final performance-enhancing factor towards the success of small businesses more specifically entrepreneurs. Mind-power ability refers to underlying internal drivers such as mindfulness (intuition), visualisation of goals to be achieved, and a sense of self-belief (confidence) that assist entrepreneurs in performing better (Burch, Cangemi & Allen, 2017; Kier & McMullen, 2018). A study conducted by van Rensburg and Ogujiuba, (2020) on 15 participants who were farmers in the agricultural sector in the Western Cape, South Africa, revealed that mind-power ability assisted these farmers to perform well and succeed in their different fruit and vegetable businesses. They aver that the positive effects of mind-power ability encourage entrepreneurs and small businesses in South Africa, to learn, develop, and apply them on a continuous basis to overcome obstacles in a consistent manner (Calof, 2017; Cavallo, Sanai, Ghezzi & Rangone, 2020).

2.1.3 Intuitive Competitive Intelligence

Kulkarni, Robles-Flores and Popovic (2017) and Constantiou, Shollo and Vendelo (2019) see (ICI) as the use of competitive intelligence provided intuitively by entrepreneurs. It has been widely used in various economic sectors and disciplines such as business, industry, agriculture, education, psychology, engineering, medicine, marketing, law, humanities, and social sciences (Teece, 2018; Cavallo, et al., 2020).

SMTes are to be introduced to ICI practices to help them identify their competitors, learn consumer trends and behaviours of tourists, develop negotiation skills for dealing with suppliers, and be alert to environmental factors such as technology, the economy, society, politics, and government demands that affect their businesses. This can assist them in learning how to serve their customers (tourists) excellently, as well as how to deal with challenges to become successful and sustainable (Fakir, 2017). Therefore, ICI practices may include evaluation of the business environment by a manager in his own way with no formal structures designed, and no methods or tools created to use competitive intelligence (Kiel, 2019). These seem plausible in the context of SMTes.

2.2 Empirical literature

Huang and Pearce (2015) prefer intuition over focusing only on external factors by doing the scanning, which is competitive intelligence. Nuthall and Old (2018) conducted a study on farmers to determine if they used intuition in decision-making processes. The results indicated that they used it in planning, using previous knowledge and experience, technical skills acquired, as well as personal reflection. Scharmer (2008, cited by Rauf, 2014) avers that a study on the intuitive decision-making model was conducted with 3,000 employees in a specific company to test its usefulness in decision-making. Results showed that in marketing and sales departments, challenges were solved using the intuitive innovative method (Volker, et al., 2015).

Tahmasebifard and Wright (2018) also conducted a study with companies on the application of CI in market performance, with subtypes such as competitor intelligence, market intelligence, and technological intelligence. Results confirmed that CI and its subtypes did have an impact on the market performance of a company. Locander, Locander and Weinberg (2020) also conducted a study on 250 business-to-business salespeople using the Sensemaking Model and Dual Process Theory to determine how they controlled cognitive demands associated with information processing and decision-making during a sales encounter. Results showed that intuition assisted them in making quick decisions in the adaptive selling process. Another study conducted by Constantiou, et al. (2019) indicated that there is a positive relationship between intuition and business success, especially in financial performance in SMEs.

A study conducted by Gracanin, et al. (2015) also concurs that CI practices are applied in developed countries like Serbia and European countries, as well as in Japan and the United States of America. Another study undertaken by Du Toit and Sewdass (2014) revealed that CI was used by big businesses in Morocco. Whereas Dahoei, et al. (2018), and Loureiro and Garcia-Marques (2018) believe that CI can be used by both

small and big businesses. The main differences between these two sectors involve access to competitors' information and CI findings as they may use similar approaches and tools to collect information from their rivals. However, outcomes in the interpretation and analysis of data may differ since small businesses do not have a functional CI structure, unlike big corporations.

Du Toit and Sewdass (2014) conducted a study on CI experts in big businesses in South Africa to determine the current CI state. Their respondents were postgraduate degree holders in the middle or senior management level. Results indicated that 55 percent of them agreed that they used CI to cope with changes in the business environment, whereas 60 percent indicated that they believed that CI was important to remain in agreement with government legislation. This implies that CI is applied by big businesses for different purposes but not necessarily by small tourism businesses.

3. Research Methodology

Research design and approach

The study used a quantitative research approach. Quantitative approaches (which normally employ structured questionnaires) provide an economic and effective platform for gathering large data from a sample but one of their main drawbacks is their inability to explain social settings linked to the variables under study (Mishra, Pandey, Singh, Gupta, Sahu & Keshri, 2019).

Research instruments

The quantitative part of the questionnaire was imperative to produce findings that generated results that could confirm and generalise the phenomenon under study. A questionnaire is a set or sequence of questions that have been developed to elicit information from participants through a survey (Kiem, et al., 2018). When designing a questionnaire for tourists, consideration of the requirements of validity, reliability, and discrimination were adhered to (Aguinis & Solarino, 2019). The study participants comprised 99 tourists who visited the province in which the convenience sampling technique was employed. The empirical data was gathered using a semi-structured questionnaire distributed to all the participants.

Data analysis

The quantitative data analysis was done using the SPSS, in which descriptive statistics and regression analysis (multiple and logistic) were undertaken (George & Mallery, 2018; Mishra, et al., 2019).

Quantitative analysis-Logistic Regression

Logistic regression is a statistical approach for evaluating a dataset that consists of one or more independent variables that ascertain a particular outcome. The outcome is measured using a dichotomous variable (in which there are only two possible results). Thus, in logistic regression, the dependent factor is binary, that is, in this study, it contained data coded as 1 (Yes) or 0 (No).

The main purpose of logistic regression is to determine the ideal model to explain the association involving the dichotomous feature of interest (dependent variable) and collection of independent variables. In this section, the dependent variable was the use of intuitive competitive intelligence (ICI) in making decisions regarding the type of booking (TB), quality of food service (QFS), quality of transport service (QTS), quality of service provided by the people (QSP), the popularity of the centre (PC), amount to spend (AS), number of days' stay in the Eastern Cape (NDS) and the continent of origin (CO).

The specific Regression Model was, therefore:

$$ICIV = \alpha + \beta_1 TB + \beta_2 QFS + \beta_3 QTS + \beta_4 QSP + \beta_5 PC + \beta_6 NDS + \beta_7 CO + \mu \quad (1)$$

Where?

ICIV: Intuitive Competitive Intelligence Visit

TB: Type of Booking

QFS: Quality of Food Service

QTS: Quality of Transport Service

QSP: Quality of Service by People

PC: Popularity of Centre

NDS: Number of Days Stayed

CO: Continent of Origin

α : Intercept

$\beta_1, \beta_2, \beta_3 \dots$: Coefficient Parameters

μ : Error Term

4. Findings

The 99 tourists that were surveyed contributed to the research study as they indicated their perceptions of the small tourism businesses in terms of poor infrastructure to access the accommodation facility, location of the facility, service provided, the facility's condition with the type of furniture used, attitudes of staff and owners, the issues of the public good like safety and security, water and sanitation, electricity load shedding, network problems, and connectivity. Liu and Cheng (2018) and Ahmed, Ahmed, Abd-Elhakim, and Nagm, (2018) also agree that tourists do experience such challenges when visiting small tourism businesses which include economic and political crises. As far as positive aspects are concerned, the tourists confirmed that in many instances they felt at home as they enjoyed the relaxation, entertainment, and visiting the tourist attractions of the Eastern Cape region. All these concerns gave insight to the small tourism owners to improve in all respects. The local municipalities should provide support to small tourism businesses.

Some tourism centres were mostly preferred by tourists in the Eastern Cape region. Hence, the most popular tourist destinations in the province were ascertained to be East London (23), Port Elizabeth (16), and Butterworth (14). Other areas that attracted a significant number of tourists included Centane (8), Mthatha (6), Hogsback (3), Jeffrey's Bay (3), King Williams Town (3), and Makhanda (4). The rest of the remaining areas with tourist centres received very little numbers in terms of tourist visits. Furthermore, the evidence demonstrated that the greatest number of tourists in the Eastern Cape came from African countries. Tourists from European countries (14/14%), North America (8/8%), and Asia (4/4%) also possessed a great interest in South African tourism centres in the Eastern Cape area, which was shown by their commendable numbers. South America had only one tourist whilst Australia and Oceania did not have tourist representatives in the region.

As far as the number of days spent by tourists in an accommodation facility is concerned, the research results indicated that most of the tourists (34) were intuitively prepared to stay for a period of five to seven days. A significant number of tourists (30) also opted to stay for three to four days. Few tourists (9) were interested in staying for one to two days, along with staying for eight to 14 days. A greater number of tourists (20) were ready to stay in the region for 15 or more days. This implies that Eastern Cape Province is attractive to various international visitors due to its beautiful beaches, wild coasts, and rivers. At the former Transkei, there is natural vegetation including grassland, with sporadic forests and rolling hills. Throughout the wild coast routes, there are beautiful snow mountains. Moreover, there are farming and tourism activities that normally take place throughout the year. These include the Grahamstown Arts Festival and Buyelekhaya Music Festival which is held at Buffalo City Municipality, and game viewing including the "Big Five" in a friendly environment at Amathole district (SA-Venues, 2018; Liu & Cheng, 2018).

It was apparent that the tourists intuitively got information concerning tourism in the Eastern Cape, South Africa, hence they visited the province. In this regard, friends, and relatives (44%) produced the largest source of information for the tourists, which was confirmed by half of the entire sample. The sources of information concerning Eastern Cape tourism from electronic media (20%), travel agents (18%), and other(s) (15%) had high and more similar proportions in terms of representation. Brochures (3%) were not used as a source of information for the tourists since their part is only three percent. This is true since small tourism businesses rely on family and friends as some of them do not use the latest technology to promote their businesses. Some tourism small businesses still use brochures (Rekarti & Doktoralina, 2017). On the other hand, Van K, Natoli and Divisekera, (2021) believe that some small tourism businesses use technology and innovation to boost their businesses.

It was clear that the tourists' spending patterns, intuitively and competitively, upon visiting the Eastern Cape region were prepared to spend any amount of money that was higher than R2 000,00 (nearly half of the entire sample of tourists (46)). The number of tourists (21) who wanted to spend between R1 501 to R2 000 was slightly higher than the number of tourists (17) who wanted to spend between R1 001 to R1 500. Finally, the least number of tourists (5) who were willing to spend money were in the under R501 category which was twice as much lower than tourists (10) spent in the R501 to R1 000 classification.

Tourists had different preferences in choosing the accommodation facility. The most desirable ones when compared to others, based on the business owner's intuitive competitive intelligence, indicated that 41 hotels, together with 40 B&B/guest houses, were highly prioritised as the best types of accommodation by the respondents, as there was a minute difference in the level of preference. In addition, tourists who opted for private homes formed a sizeable number when compared to the tourists who put more value on both backpackers and lodges (both have the least preference). This is supported by Skinner (2019) who cited that tourists were influenced by their cultural and economic constraints on choosing the accommodation facility.

The research results indicated that tourists had different preferences for the form of booking arrangement. Most tourists put greater importance on the travel agent (34) to facilitate their booking arrangements. It is also apparent that the use of friends and relatives (29) had the second highest priority regarding booking preparations by the tourists. A similar number of tourists support the employment of tour operators (15) and other(s) (15) in conducting the booking plans. Finally, the deployment of airline facilities (6) as an option for booking arrangements had the lowest representation.

According to the research findings, nearly more than half of the respondents (53%) commented that it was not their first time visiting the area as Eastern Cape Province is popular for tourist attractions (SA-Venues, 2018).

As far as the extent of the participants' perceptions regarding the quality of service they competitively received in the various tourist centres that they visited for specific categories, is concerned, most of the participants were absolutely satisfied with the quality of service in classifications such as accommodation, attractions, communications as well as interaction with people. As is also presented in the table, many people were also happy with the food, transport, information on the region, and provision of other services and goods since they rated them as well. Other participants were happy about the climatic conditions of the province. However, the participants spotlighted that they had concerns about security as indicated by the low rating. Generally, very few participants rated the quality of service as fair, and even more-so disappointing, for all the categories.

| Variable | Obs | Mean | Std. Dev. | Skewness | Kurtosis |
|----------|-----|-----------|-----------|------------|----------|
| ICIV | 99 | 0.4646465 | 0.5012867 | 0.141769 | 1.020098 |
| PC | 99 | 6.030303 | 6.953863 | 2.454891 | 11.18283 |
| CO | 99 | 1.474747 | 0.9405104 | 2.033404 | 6.132872 |
| TB | 99 | 2.737374 | 1.575228 | 0.0456117 | 1.465194 |
| NDS | 99 | 2.989899 | 1.257589 | 0.3903371 | 2.134655 |
| AS | 99 | 3.888889 | 1.284832 | -0.9522904 | 2.963614 |
| QFS | 99 | 1.848485 | 0.7608217 | 0.5386362 | 2.742727 |
| QTS | 99 | 2.151515 | 0.9187795 | 0.2519375 | 2.112071 |
| QSP | 99 | 1.838384 | 0.8170014 | 0.7547812 | 3.045324 |

Table 3: Showing a Statistical Summary of the Logistic Regression Variables

Table 3 demonstrates a brief analysis of the descriptive statistics of the use of intuitive competitive intelligence when visiting (dependent variable) and the explanatory variables of the study. Most of the variables (88%) are positively skewed, while only 12 percent are negatively skewed. More precisely, the use of intuitive competitive intelligence, type of booking, quality of service of food, quality of service of transport, quality of service provided by people, the popularity of tourism centre, number of days stayed in the Eastern Cape and the continent of origin is positively skewed. This demonstrates that for each of these variables, there is a long tail in the positive direction and the mean is also located on the right-hand side of the peak of the distribution. On the other hand, the amount to be spent is negatively skewed, implying that there is a long tail in the negative direction and the mean is also located on the left side of the peak of the distribution. Kurtosis outlines the amount of data in the tails and provides evidence regarding how "peaked" the data distribution is.

| | ICIV | PC | CO | TB | NDS | AS | QFS | QTS | QSP |
|------|---------|---------|---------|--------|---------|---------|--------|--------|-----|
| ICIV | 1 | | | | | | | | |
| PC | 0.1745 | 1 | | | | | | | |
| CO | 0.2849 | 0.1429 | 1 | | | | | | |
| TB | 0.0140 | 0.0287 | 0.0781 | 1 | | | | | |
| ND | -0.0734 | -0.0443 | -0.0304 | 0.1532 | 1 | | | | |
| AS | -0.1408 | 0.0438 | -0.0150 | 0.0409 | 0.3340 | 1 | | | |
| QFS | 0.0259 | -0.0512 | -0.0125 | 0.0771 | -0.0123 | -0.0696 | 1 | | |
| QTS | -0.0436 | -0.0822 | -0.0369 | 0.2040 | 0.0013 | -0.0980 | 0.3689 | 1 | |
| QSP | -0.1636 | 0.0063 | -0.0850 | 0.1094 | 0.1076 | -0.0367 | 0.3214 | 0.2369 | 1 |

Table 4: Showing Correlation Coefficients among Logistic Regression Variables

Table 4 illustrates the one-to-one relationship between the variables of the regression model. As illustrated in the table, the popularity of the tourism centre, continent of origin, type of booking, and quality of service of food show a positive direct relationship with the use of intuitive competitive intelligence. For example, a one percent increase in the quality of the service of food increases the use of intuitive competitive intelligence by 0.0259. On the other hand, the quality of the service of transport, the quality of the service provided by people, the number of days stayed in the Eastern Cape, and the amount spent indicate a negative direct association with the use of intuitive competitive intelligence. For instance, a one percent increase in the amount to spend lowers the use of intuitive competitive intelligence by 0.1408. Nonetheless, one-to-one associations give results that may require further scrutiny by confining that relationship to the impact of one or more variables to obtain more convincing outcomes. The results of the regression model are presented in the table:

| Variable | Coeff. | Std. Error | Odds Ratios |
|-----------------------|--------------|------------|-------------|
| PC | 0.0728194*** | 0.0415359 | 1.075536 |
| CO | 0.7411887*** | 0.7683367 | 2.098428 |
| TB | 0.0504651* | 0.1518239 | 1.05176 |
| ND | 0.032124* | 0.189363 | 1.032645 |
| AS | -0.2654891** | 0.1366236 | 0.7668308 |
| QFS | 0.3476732* | 0.4582244 | 1.41577 |
| QTS | -0.1262778* | 0.2415087 | 0.8813699 |
| QSP | -0.582902*** | 0.1702085 | 0.5582759 |
| No. of Obs | 99 | | |
| Wald chi2(8) | 10.66 | | |
| Prob > chi2 | 0.2218 | | |
| Pseudo R2 | 0.1271 | | |
| Log pseudo-likelihood | -59.685948 | | |

Table 5: Showing the Logistic Regression Model Results

Notes: ***, **, * denote significance at one percent, five percent, and ten percent levels of significance, respectively.

Table 5, to a greater extent, confirms the results found in Table 6, In this regard, the relationship between the popularity of the tourism centre, the continent of origin, type of booking, the number of days stayed in the Eastern Cape, and the quality-of-service food show a positive and significant relationship with the use of intuitive competitive intelligence. In this context, a one percent increase in the relationship between the popularity of tourism centres, the continent of origin, type of booking, number of days stayed in the Eastern Cape, and the quality of service of food results in a 0.0728194, 0.7411887, 0.0504651, 0.032124 and 0.3476732% respective rise in the use of intuitive competitive intelligence when making decisions. Other remaining variables develop a negative and significant association with the use of intuitive competitive intelligence. In this regard, a one percent rise in the amount to spend, quality of service of transport, and quality of service provided by people lowers the probability of using intuitive competitive intelligence by 0.2654891, 0.1262778, and 0.582902% respectively. The findings of this regression model will be very useful

to determine whether small and medium-sized enterprises in the tourism sector employ intuitive competitive intelligence to thrive in the business market.

5. Discussions and Conclusions

The paper aimed to determine the perceptions of tourists towards the Small and Medium-sized Tourism Enterprises in the Eastern Cape Province. The study used a quantitative research method. The study participants comprised 99 tourists who visited the province in which convenience sampling was employed. The empirical data was gathered using a semi-structured questionnaire distributed to all the participants. The quantitative data was analysed using SPSS, in which descriptive statistics and regression analysis (multiple and logistic) were undertaken.

The findings of the study indicated that tourists have different experiences and opinions upon visiting the SMTEs. The Eastern Cape Province is a popular tourist attraction destination for many tourists, and they were prepared to enjoy their stay by spending whatever was budgeted for during the stay. The tourists preferred hotels, B&Bs, or guesthouses when visiting the region. They used media, and online services to book accommodation and other tourism activities. Nguyen, Natoli and Divisekera (2021) also supported the innovative activities applied by the SMTEs in promoting their businesses.

Generally, the tourists were satisfied with the quality of service in accommodation, attractions, communications as well as meeting people. However, some complained about poor service, access, and infrastructure as well as security challenges. Others were satisfied with the climatic conditions of the area. The tourists complained that SMTEs are faced with some challenges. These challenges include poor infrastructure to access accommodation facilities, the location of the facility, and the service provided varied from one business owner to another. Kornilaki, Thomas and Font (2019), also agree that tourism businesses are faced with some challenges that affect their sustainability.

6. Research implications of the study

The study will contribute to the existing knowledge of the perceptions of tourists toward the performance of SMTEs. It will assist small tourism businesses to improve their operations to become profitable and sustainable. The local economic development practitioners should provide the tourism businesses with full support and relevant training. Moreover, the local municipalities should provide proper infrastructure like accessible roads, water, electricity, and safety for businesses and tourists. The research results will be shared with the researchers in the field for learning and analysis of the work done. Lastly, the tourism department will have a better understanding of the needs of the tourism businesses and tourists in the local areas to provide the necessary support.

7. Limitations and direction for future research

The study focused on the Eastern Cape Province only which implies that out of the nine provinces found in South Africa the other ones were not involved in the study. Therefore, the results were based on the research area covered. Furthermore, the questionnaires were distributed to the tourists that were accessible when the researcher arrived at the accommodation facility, hence it used the convenience sampling technique to collect the data. In addition, some SMTEs did not allow the researcher to distribute the questionnaires to their guests, complaining that they were disturbed, even if the researcher did ask for permission from the owner and the tourists.

It is recommended that there must be training in various aspects such as business planning, financial management, and efficient and effective operations of the business to improve their performance for profit and sustainability. This is also supported by Owalla, Gherhes, Vorley and Brooks (2022), who believed that SMTEs should be trained on how to manage their businesses. Small business owners should apply and strengthen intuitive competitive intelligence practices for identifying clients, suppliers, and competitors as well as trying to outperform their rivals. The local government, through its different units and departments, must promote the tourism industry by providing full support to enhance the economic growth of the province. The Government should improve the road and technological infrastructure to ease access. In addition, the study should be replicated in other provinces to compare the results and learn from best practices in the tourism industry specifically in the accommodation sphere.

8. References

- Acha-Anyi, P.N., 2020. Leisure tourism and sustainable livelihoods in the Eastern Cape Province of South Africa. *African Journal of Hospitality, Tourism and Leisure*, 9(4), pp.500-514.
- Aguinis, H., and Solarino, A., 2019. Transparency and replicability in quantitative research: The case of interviews with elite informants. *Strategic Management*, 40, pp. 1291-1315.
- Ahmed, M., Ahmed, A., Abd-Elhakim, A. and Nagm, A.M.E., 2018. Perceived leader behavioural integrity and employee voice in SMEs travel agents: The mediating role of empowering leader behaviours. *Journal of Tourism Management*, 65, pp. 100-115.
- Ali, B.J. and Anwar, G., 2021. Measuring Competitive Intelligence Network and its Role on Business Performance. *International Journal of English Literature and Social Sciences*, 6(2).
- Aujirapongpan, S., Jintanee ru-zhe, J. and Jutidharabongse, J., 2020. Strategic Intuition Capability toward Performance of Entrepreneurs; Evidence from Thailand. *Journal of Asian Finance, Economics and Business*, 7(6), pp. 465-473.
- Barinova, V.A. and Zempsov, S.P., 2019. International comparative analysis of the role of small and medium-sized enterprises in the national economy: A statistical study. *Voprosy statistiki*, 26(6), pp.55-71.
- Berisha, G. and Pula, J.S., 2015. Defining Small and Medium Enterprises: a critical review. *Academic Journal of Business, Administration, Law, and Social Sciences*, 1(1), pp.17-28.
- Boronat-Navarro, M., Escribá-Esteve, A. and Navarro-Campos, J. (2021). Ambidexterity in micro and small firms: Can competitive intelligence compensate for size constraints? *BRQ Business Research Quarterly*, 23409444211054861.
- Breen, J., 2005. *Small and Medium Tourism Enterprises: The Identification of Good Practice*. CRC for Sustainable Tourism Pty Ltd.
- Burch, B., Cangemi, J. and Allen, G., 2017. Can Success Become a Curse? A view of its darker side. *Education*, 138(2), pp. 210-214.
- Calof, J.L. and Wright, S., 2008. Competitive intelligence: A practitioner, academic and inter-disciplinary perspective. *European Journal of Marketing*.
- Calof, J., 2017. Canadian competitive intelligence practices—a study of practising strategic and competitive intelligence professionals' Canadian members. *Foresight*.
- Cavallo, A., Sanasi, S., Ghezzi, A. and Rangone, A., 2020. Competitive intelligence and strategy formulation: connecting the dots. *International Business Journal*, pp. 1-26.
- Constantiou, I., Shollo, A. and Vendelo, M., 2019. A study investigating cognitive styles on using intuition in decision-making and entrepreneurship. *Decision Support Systems*, 121, pp. 51-61.
- Dahoei, J., et.al., 2018. An Evaluation Model of Business Intelligence for Enterprise Systems with New Extension of CODAS (CODA-IVIF). *Journal of Information Management*, 8(1).
- Dar, M.S., Ahmed, S. and Raziq, A., 2017. Small and medium-sized enterprises in Pakistan: Definition and critical issues. *Pakistan Business Review*, 19(1), pp.46-70.
- Du Toit, A., and Sewdass, N., 2014. Competitive Intelligence in Morocco. *Afri. Lib. Arch. & Inf. Sc.*, 24(1), pp. 3-13.
- Du Toit, A., 2015. Competitive Intelligence Research: An investigation of trends in the literature. *Journal of Intelligence Studies in Business*, 5(2), pp. 14-21.
- Fakir, K., 2017. *The Use of Competitive Intelligence in the Sustainability of SMMEs in the Buffalo City Metropolitan Municipality. Masters in Business Administration*. Port Elizabeth: Nelson Mandela Metropolitan University.
- Fatoki, O., 2018. The impact of entrepreneurial resilience on the success of small and medium enterprises in South Africa. *Sustainability*, 10(7), p.2527.
- Fuld, L.M. 1995. *The new competitor intelligence: the complete resource for finding, analysing, and using information about your competitors*. New York: Wiley.
- George, D. and Mallery, P., 2018. Descriptive statistics. In *IBM SPSS Statistics 25 Step by Step* (pp. 126-134). Routledge.
- Government Gazette of the Republic of South Africa 2003. *National Small Business Amendment Act*. Available online: <http://www.info.gov.za/gazette/acts/2003/a26-03.pdf> (accessed on 3 August 2022).
- Gracanim, S., Kalac, E. and Jovanovic, D., 2015. Competitive Intelligence: Importance and Application in Practice. *Review of Innovation and Competitiveness*, 1(1), pp. 25-44.
- Hoffman, F.P. and Freyn, S.L., 2019. The future of competitive intelligence in an AI-enabled world. *International Journal of Value Chain Management*, 10(4), pp.275-289.
- Huang, L. and Pearce, J., 2015. Managing the unknowable. *Administrative Science Quarterly*, 60(4), pp. 634-670.
- Hwang, J. and Lee, J., 2019. Relationships among senior tourists' perceptions of tour guides' professional competencies, rapport, satisfaction with the guide service, tour satisfaction, and word of mouth. *Journal of Travel Research*, 58(8), pp.1331-1346.
- Kamila, M., 2018. The profile of an intuitive decision maker and the use of intuition in decision-making practice. *Management*, 22(1), pp. 31-44.
- Kiel, B.S.E., 2019. Artificial Intelligence and Role Reversible Judgement. *Journal of Criminal Law and Criminology*. 109(2), pp. 137-164.

- Kiem, H., Mo Jang, S., Kim, S. and Wan, A., 2018. Critical Review of Sampling Techniques in the Research Process in the World. *Evaluating Sampling Methods for Content Analysis of Twitter Data*, pp. 1-10.
- Kier, A. and McMullen, J., 2018. Entrepreneurial imaginativeness in new venture ideation. *Academy of Management Journal*, 61(6), pp. 2265-2295.
- Kornilaki, M., Thomas, R. and Font, X., 2019. The sustainability behaviour of small firms in tourism: the role of self-efficacy and contextual constraints. *Journal of Sustainable Tourism*, 27(1), pp. 97-117.
- Kulkarni, U., Robles-Flores, J.A. and Popovic, A., 2017. Business intelligence capability: The effect of top management and the mediating roles of user participation and analytical decision-making orientation. *Journal of the Association for Information Systems*, 18(7), DOI: 10.17705/1jais.00462. <https://aisel/aisnet.org/jais/vol18/iss7/1>.
- Lai, I.K.W., Hitchcock, M., Lu, D. and Liu, Y., 2018. The influence of word of mouth on tourism destination choice: Tourist-resident relationship and safety perception among Mainland Chinese tourists visiting Macau. *Sustainability*, 10(7), p.2114.
- Liu, C.W. and Cheng, J.S., 2018. Exploring driving forces of innovation in the MSEs: the case of the sustainable B&B tourism industry. *Sustainability*, 10(11), p.3983.
- Locander, D., Locander, J. and Weinberg, F., 2020. How a salesperson's traits and intuitive judgements influence adaptive selling: A sensemaking perspective. *Journal of Business Research*, 118, pp. 452-462.
- Loureiro, F. and Garcia-Marques, T., 2018. I know the rule, but I'll just go with my gut: Is there a rational use of intuition? *Thinking and Reasoning*, 24(4), pp. 469-497.
- Manzoor, F., Wei, L., Asif, M., Haq, M. Z. U. and Rehman, H. U., 2019. The contribution of sustainable tourism to economic growth and employment in Pakistan. *International journal of environmental research and public health*, 16(19), 3785.
- Mishra, P., Pandey, C.M., Singh, U., Gupta, A., Sahu, C. and Keshri, A., 2019. Descriptive statistics and normality tests for statistical data. *Annals of cardiac anaesthesia*, 22(1), p.67.
- Muresan, I.C., Oroian, C.F., Harun, R., Arion, F.H., Porutiu, A., Chiciudean, G.O., Todea, A. and Lile, R., 2016. Residents' attitude toward sustainable rural tourism development. *Sustainability*, 8(1), p.100.
- National Small Business Act 1996. *Definition of Small Businesses*. President's Office No. 1901. 27 November 1996. Available online: <https://www.acts.co.za/national-small-business-act-1996/index.html> (accessed on 3 August 2022).
- Nguyen, V.K., Natoli, R. and Divisekera, S., 2021. Innovation and productivity in tourism small and medium enterprises: A longitudinal study. *Tourism Management Perspectives*, 38, p.100804.
- Nguza-Mduba, B., 2020. *Intuitive competitive intelligence: The entrepreneurial path to success for small and medium-sized enterprises (SMEs) in the tourism sector in the Eastern Cape Province*. Doctorate in Business Administration. Durban: University of KwaZulu-Natal.
- Nenzhelele, T., 2019. *Adoption of Competitive Intelligence Ethics in the ICT Industry of South Africa*. Pretoria: University of South Africa.
- Nuthall, P. and Old, K., 2018. Intuition, the farmers' primary decision process. A review and analysis. *Journal of Rural Studies*, 58, pp. 28-38.
- Owalla, B., Gherhes, C., Vorley, T. and Brooks, C., 2022. Mapping SME productivity research: A systematic review of empirical evidence and future research agenda. *Small Business Economics*, 58(3), pp.1285-1307.
- Pelliseer, R. and Nenzhelele, T., 2013. Towards a universal competitive intelligence process model. *South African Journal of Information Management*, 15(20), pp. 567-574.
- Rauf, K., 2014. Use of Intuition in Decision Making Among Managers in Banking and Industrial Sectors of Karachi. *Pakistan Journal of Psychological Research*, 29(1), pp. 79-102.
- Rekarti, E. and Doktoralina, C.M., 2017. Improving Business Performance: A Proposed Model for SMEs. *European Research Studies Journal*, XX, Issue 3A, pp. 613-623.
- Sadler-Smith, E., 2016. The role of intuition in entrepreneurship and business venturing decisions. *European Journal of Work and Organisation Psychology*, 25(2), pp. 212-225.
- SA-Venues., 2018. *Boost your small business*, [Online] Available at: http://www.sasavings.co.za/business-articles/111-finance/209-boost-small-business-business?switch_to_desktop_ui=1%27. Accessed on [01 July 2023].
- Siyabulela, N., 2016. Using sport tourism events as a catalyst for tourism development in the Eastern Cape Province, South Africa. *African Journal of Hospitality, Tourism and Leisure*, 5(3), pp.1-12.
- Skinner, H., 2019. The impact of cultural values and economic constraints on tourism businesses' ethical practices. *International journal of tourism cities*, 5(2), pp.169-187.
- Sun, T., 1988. *The Art of War*. Oxford: Oxford University Press.
- Tahmasebifard, H. and Wright, L., 2018. The role of competitive intelligence and its sub-types on achieving market performance. *Cogent Business & Management*, 5(1).
- Teece, D., 2018. Business models and dynamic capabilities. *Long Range Planning*, 51(1), pp. 40-49.
- Tonis, R., 2015. SMEs' role in achieving sustainable development. *J. Econ. Dev. Environ. People*, 4, 41-50.

-
- Van K, N., Natoli, R. and Divisekera, S., 2021. Innovation and productivity in tourism small and medium enterprises: A longitudinal study. *Journal of Tourism Management Perspectives*, 38, pp. 1-10.
- Van Rensburg, N. and Ogujiuba, K., 2020. Effect of mind-power ability among achieving entrepreneurs in South Africa: Identifying accustomed internal drivers. *Journal of Entrepreneurship in Emerging Economies*.
- Volker, T. et al., 2015. Good thinking or Gut Feeling? Cognitive Reflection and Intuition in Traders Bankers and Financial Non-Experts. *PLoS ONE*, 10(4), pp. 1-17.
- Xu, J., Loi, K.I. and Kong, W.H., 2020. The effects of perceptions of flagshipness and iconicity on word of mouth for attractions and destinations. *Journal of Vacation Marketing*, 26(1), pp. 96-107.
-