Contribution of Tourism Towards the Growth of Micro aand Small Enterprises in Tanzania

The Case of Moshi Municipality

By

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The study focused on assessing the contribution of tourism towards the growth of micro and small enterprises, focusing on Moshi Municipality in Kilimanjaro region, Tanzania. The research specific objectives were to assess the nature of micro and small enterprises in Moshi Municipality; examine motivating factors for commencement of micro and small enterprises; assess how micro and small enterprises have benefitted from tourism; and assess opportunities for micro and small enterprise as a result of tourism. The study used crosssectional research design and both qualitative and quantitative data were collected and used. Random and purposive sampling techniques were used to determine the sample size, whereby 87 respondents were involved in the study. Both primary and secondary data were used in this study. The data were analysed by the use of Statistical Package for Social Science (SPSS) and MS excel. The study findings revealed that nature of the tourism related micro and small enterprises were dominant by sole proprietors who run curio shops and clothes shops. The study also found that; many entrepreneurs engaged in micro and small enterprises because of unemployment problem, presence number of tourists, income and passion/love as factors for the commencement of micro and small enterprises in the study area. Moreover, the findings found that tourism has contributed substantially to growth of micro and small enterprises. The findings also found that social network was the most important means used to access and identify opportunities related to tourism activities under micro and small enterprises followed by website. The study recommends that information about the MSEs support programmes offered by the central/local government must be disseminated to the local enterprises in general and to Moshi Municipality in particular. The study further recommends the need for business information and advice, particularly regarding marketing and the role of the internet as a means to access opportunities.