





# 8<sup>TH</sup> ADVANCES IN HOSPITALITY AND TOURISM MARKETING AND MANAGEMENT (AHTMM) CONFERENCE

# AHTMM 2018 PROCEEDINGS

June 25 - 29, 2018 Emerald Hotel, Bangkok-Thailand

# **CONFERENCE PROCEEDINGS**

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June 25 – 29, 2018

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#### Preface

On behalf of the organizing committee, we are pleased to welcome you to the -8th Advances in Hospitality and Tourism Marketing and Management Conference co-hosted by Washington State University, University of Thai Chamber of Commerce, Bangkok, Thailand and Chiang Mai University, Thailand. Following the success of the previous 7th Advances in Hospitality and Tourism Marketing and Management Conference, the 8<sup>th</sup> conference is held in Emerald Hotel, Bangkok, Thailand. The goal of this scientific meeting is to provide an interactive forum for attendees from academia, industry, government, and other organizations to actively exchange, share, and challenge state-of-the-art research and industrial case studies on hospitality and tourism marketing and management. The range of proposed topics of this conference reflects a number of major themes in hospitality and tourism marketing and management both in Thailand and internationally. You will see presentations and papers that examine a wide range of topics such as marketing, management, consumer behavior, planning and development, issues related to sustainability and the use of technology, etc. We strongly believe that all these contents will significantly contribute to knowledge creation and dissemination pertaining to hospitality and tourism marketing and management among all conference attendees. The organizing committee has spent countless hours to put this conference together. We would like to express our sincere gratitude and thanks to all the organizing committee members who graciously volunteered their time and effort to put this amazing conference together. We would also like to extend our appreciation and sincere gratitude to the international scientific committee members who worked to ensure the quality of the papers. Without the organizing committee and the help of international scientific committee, we could not have this conference. On behalf of the organizing committee, we would like to welcome you again to the -8<sup>th</sup> Advances in Hospitality and Tourism Marketing and Management Conference. We hope that you will enjoy Thai hospitality while attending the conference and have an unforgettable and rewarding stay in Bangkok, Thailand.

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# **Full Papers**

# POSITIONING OF DOMESTIC AIR TRAVEL BRANDS IN THE INDIAN MARKET

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#### Abstract

This study aimed at determining the positioning of domestic air travel brands in India. A set of nine brands was finalized based on a preliminary exploration, including a mix of airline companies and flight aggregators - Indigo, Jet Airways, Makemytrip, Yatra, Goibibo, Paytm, Cleartrip, Google Flights and TripAdvisor. A two-dimensional brand positioning graph was plotted using the Multidimensional Scaling technique. Our study also investigated other aspects of consumer behavior while booking air travel, such as- do users explore different options or buy their tickets from the first site they visit, whether consumers prefer airline websites or aggregators, what factors are the most influential in determining the choice of air travel brands and if social media had a role to play in the choice that consumers make.

The perceptual map showed four clear groups. The flight aggregators formed a cluster, and so did the airline companies. Google Flights and Paytm, an online payments company that has ventured into air travel booking stood out in distinct positions. As regards other findings, we found that social media played a limited role in choice of travel sites, and that most respondents chose a travel brand after looking at two or more options to compare. Airline websites or apps were the first choice followed by aggregator sites/apps. Price and Convenience were the most valuable factors dictating choice. We expect that these findings will help both airlines and aggregators target customers with better value-propositions in line with consumer perceptions.

Keywords: Multidimensional Scaling, Travel brands, Airlines, India, Positioning

#### **Purpose of the Study**

A number of air travel brands have emerged in the market in the recent years. For the purpose of this study, we shall focus not just on traditional airline companies, but also new players such as air-ticket aggregators which are increasingly emerging as popular and convenient platforms

for comparing fares and booking tickets. The reason behind the entry of these new players in the market is also the adoption of mobile shopping by the consumers. Some reasons for adoption of mobile shopping include (1) Price Saving (2) Variety / Choice (3) Convenience. Retailers can provide mobile exclusive offers and can also exclusive variety / choice for consumers who shop from mobile<sup>1</sup>.

The abundance of air travel brands in the market has opened an avenue for research, where it becomes interesting to determine the positioning of these brands in the market and their perception among consumers. The Internet has empowered consumers to identify, customize and purchase travel-related products and services. A whole new area is open for researchers to understand this area and communicate the significance of new technologies and try to forecast how things will move from here<sup>2</sup>.

#### **Literature Review**

A lot of literature exists in the field of air-travel, such as what drives consumers to purchase airline tickets, which factors are the most important when it comes to buying tickets after choosing from different available brands in the market and so on. In this report we draw from various resources that shed light on some of the important aspect of this study.

For the purpose of this study we shall take into consideration only the online purchase of travel tickets and not offline. This is because many brands that we have selected for the purpose of this study are online platforms like- MakeMyTrip and GoIbibo. Other brand such as traditional airlines have offline ticket booking options as well. But as stated earlier, we shall focus specifically on online ticket booking behavior. Let us start with exploring, what makes customers buy air travel tickets online. A study states that- perceived value is the main antecedent of online purchase intention for travel products, and so it is recommended that the managers of travel websites direct their marketing strategies towards creating and maintaining consumers' maximal perceived value in the online transactions<sup>3</sup>. What is meant by perceived value here is the money paid by the customer and the efforts made by him/her in lieu of the risk that is present in online transactions.

Some other points worth noting have been highlighted by different authors in their work-Online shopping trend is dependent on various sub-processes such as navigation, searching for information, online transactions, or customer interactions (Lee and Lin, 2005). Online travel purchase is also dependent on the design and layout of the website, service quality (Yi and Gong, 2008), and availability of information (Jeong, Oh, and Gregoire, 2003).<sup>4</sup> So, these points

<sup>&</sup>lt;sup>1</sup> Gupta, A., & Arora, N. (2017). Understanding determinants and barriers of mobile shopping adoption using behavioral reasoning theory. *Journal of Retailing and Consumer Services*, *36*, 1-7.

<sup>&</sup>lt;sup>2</sup> Chakravarthi, J. S. K., & Gopal, V. (2012). Comparison of traditional and online travel services: A concept note. *IUP Journal of Business Strategy*, *9*(1), 45.

<sup>&</sup>lt;sup>3</sup> Ponte, E. B., Carvajal-Trujillo, E., & Escobar-Rodríguez, T. (2015). Influence of trust and perceived value on the intention to purchase travel online: Integrating the effects of assurance on trust antecedents. *Tourism Management*, *47*, 286-302.

<sup>&</sup>lt;sup>4</sup> Choudhary, S. K., & Sachan, A. (2013). A Review on Online Travel and Tourism Industry in Indian Context. *Productivity*, 53(4), 303.

can be taken care of while designing of online travel ticket purchasing platforms by different brands.

Once we established what drives consumers towards online travel ticket purchasing, let us focus on what makes a customer choose one particular brand over all others when it comes to domestic air travel in India. An interesting study by Escobar-Rodríguez & Carvajal-Trujillo (2013) states in its findings that the main predictors of online purchase intention are, in order of relevance: habit; price saving; performance expectancy; and facilitating conditions. Thus, online purchase intention depends on the individual habit of using the website; the price saving obtained in direct purchase of airline tickets directly from airline company websites; the levels of performance expected by the consumer in completing the online transaction; and the facilitating conditions available<sup>5</sup>. This brings up an interesting point because during data collection when we asked the respondents regarding their preferred air travel brands, many of them took one name- Indigo and stated that they have been using Indigo to travel for a while now and are habituated to it. So when it comes to buying tickets, they do not even try to explore other options, but straightaway buy tickets from Indigo.

Delving further into what makes some brands more appealing than others, we came across a study by Crespo-Almendros, & Del Barrio-García, (2016) that concludes, that online sales promotions concerning an airline ticket are particularly appropriate when aimed at users who are relatively new to Internet browsing. For this group, monetary online sales promotions are the most appealing, while for those users with a high level of experience of the Internet, non-monetary online sales promotions will be the most effective<sup>6</sup>. This is an interesting finding, and may help marketing professionals design their campaigns according to different target groups they are aiming at.

This research paper also aims to find out different factors that consumers take into account while booking air travel tickets. And thus give an idea to the industry professionals about the various sought-after factors based on which, consumers decide their preferred air travel brand.

#### **Research Methodology**

The respondent base for this research was restricted to students of Indian Institute of Management Indore (an Indian business school), between the age brackets of 18-24 years who travelled by air. The aim of this study was to find out the perception of users regarding different air travel brands.

The data collection process was divided into two phases. The first phase comprised exploratory research through qualitative methods. A set of 18 respondents were interviewed regarding which website/app they used for booking domestic air tickets. The findings of this first phase of data collection have been attached along with this document as Appendix 1. Some interesting

<sup>&</sup>lt;sup>5</sup> Escobar-Rodríguez, T., & Carvajal-Trujillo, E. (2013). Online drivers of consumer purchase of website airline tickets. *Journal of Air Transport Management*, *32*, 58-64.

<sup>&</sup>lt;sup>6</sup> Crespo-Almendros, E., & Del Barrio-García, S. (2016). Online airline ticket purchasing: Influence of online sales promotion type and Internet experience. *Journal of Air Transport Management*, *53*, 23-34

comments (although respondents were not explicitly asked for comments) have been mentioned in the Appendix 1 as well. The most popular names that surfaced were Indigo (airline) and Makemytrip (an aggregator) with 27% and 24% of the sample mentioning them.

The findings of this first phase of data collection helped us to zero in to a few more air travel brands on which we would further conduct our study to determine how they were positioned in the market. These brands were- Indigo, Jet Airways, MakeMyTrip, Yatra, GoIbibo, Paytm, ClearTrip and Google Flights. In addition to these brands, we added TripAdvisor to our dataset as well. The reason for its inclusion was that TripAdvisor is one of the biggest global travel brands and we wanted to compare how it fared in comparison with the Indian brands. Xiang, Z., & Gretzel, U. (2010) mention TripAdvisor in their work "Role of social media in online travel information search." They say that some websites are "ubiquitous" in online travel information search in that they occur everywhere (i.e., on different search results pages in Google and for different tourist destinations) no matter what search keywords a traveler uses, and that one such widely used website is TripAdvisor<sup>7</sup>.

The second phase of data collection consisted of gathering both qualitative and quantitative data through a questionnaire. A dataset 9 brands was finalized and a total of 45 respondents were requested to fill the questionnaire that aimed to find out the perception of different travel brands in the market and also garner some information regarding consumer behavior.

The first question of the questionnaire was compulsory and consisted of a 9\*9 matrix where participants were asked how similar or different they perceived a particular pair of brands to be. Indigo and Jet were airline brands and others were aggregator brands.

<sup>&</sup>lt;sup>7</sup> Xiang, Z., & Gretzel, U. (2010). Role of social media in online travel information search. *Tourism management*, *31*(2), 179-188.

**Question 1 (compulsory)** How similar or different would you consider the pairs of brands given below? (Kindly assign a number between 1 to 10, where 1 would signify extremely similar and 10 would stand for extremely dissimilar/ different)

	Indigo	Jet	makemytrip	yatra	goibibo	paytm	cleartrip	Google flights	TripAdvisor
			Rect	angular Snij	>				
Indigo	1								
jet		1							
makemytr.			1						
yatra				1					
goibibo					1				
paytm						1			
cleartrip							1		
Google flg.								1	
TripAdvisor									1

#### Image 1 : Question on Brand Comparison

The data from all 45 matrices that the participants filled was averaged and fed into a final matrix. This matrix was used to plot a brand positioning graph using Multi-Dimensional Scaling. The software used for this purpose was SPSS.

Other questions focused on gathering information regarding consumer behavior. For example the second question aimed at finding the tendency of users to explore different options before purchasing their ticket.

**Question 2** When visiting a site/app for booking air-travel tickets- (kindly tick any one checkbox)

a. I end up buying from the first site/app I visit

b. I navigate from one site/app to another to check out other options
If you selected option (b), would you like to state a reason for the same?

#### Image 2: Question about exploration of websites/brands

The third question aimed to find the popularity of various ticket booking platforms- traditional airline companies, aggregators and search engines like Google that can be used to navigate to different ticket booking platforms.

**Question 3** Kindly rank the following in order of preference, where 1 would mean "most preferred" and 3 would mean "least preferred".

While booking air tickets I prefer to-

- 1. Visit the original website/app of the airline company
- 2. Visit an aggregator
- 3. Google search for flights

#### Image 3: Ranking of Options by type

In the fourth question, we asked our respondents to rank different factors (in order of importance) which they found were most influential in determining their online ticket purchasing behavior.

**Question 4** Kindly rank the following in order of importance, where 1 would mean "most important" and 5 would mean "least important"

While booking air tickets what matters the most?

- 1. Price
- 2. Luggage allowance
- 3. Convenience of time
- 4. Ease of navigation through the website/app I am using
- 5. Loyalty programs offered (cashback etc.)

#### Image 4: Ranking of factors

The last question (Question 5) aimed at finding out if social media played a role in determining the air-ticket purchasing behavior of consumers.

Question 5 Does social media affect your brand preference for air travel? (yes/no)

Image 5: Question about role of social media

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#### **Result and Analysis**

The brand positioning graph obtained through MDS (Multi-Dimensional Scaling) turned out to be a good fit. The Stress Value was adequately low and the variance captured through R squared turned out to be approximately 90%. Various clusters of variables emerged in the graph below-

VAR00002 and VAR00003 - Indigo and Jet

VAR00007- Paytm

VAR00009- Google Flights

Other variables- aggregators (VAR00004-Makemytrip, VAR00005- Yatra, VAR00006-Goibibo, VAR00008- Cleartrip, Var00010- TripAdvisor)

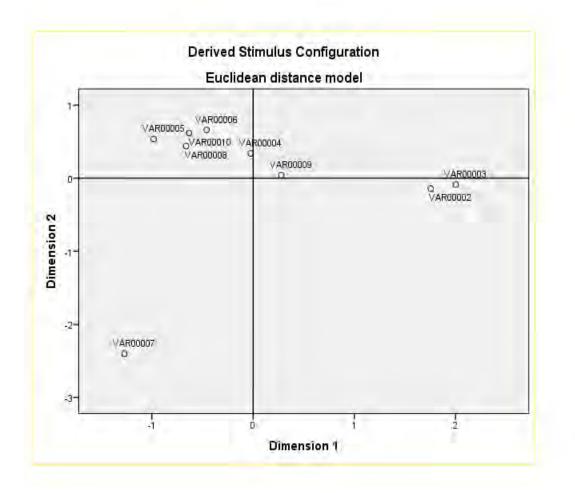


Table 1: The Two-dimensional Perceptual Map of Travel Brands

Analyzing the distribution in the graph above we decided that the X-axis shall be named **Brand Preference.** 

VAR00004-Makemytrip, VAR00005- Yatra, VAR00006- Goibibo, VAR00008- Cleartrip, Var00010- TripAdvisor form a single cluster and since they are all aggregators, they are perceived similarly by the respondents. The brand value of VAR00002 and VAR00003 - Indigo

and Jet are higher than these aggregators which is very understandable because they are reputed airline companies. They are preferred to the aggregators because they offer more value-

- 1. student discounts by Indigo
- 2. Booking directly from the airline's portal is cheaper because the aggregators usually charge a commission over and above the price of the ticket
- 3. Also paying directly to the airline minimizes the risk involved than paying through a third party (aggregator)

We see that VAR00009- Google Fights lies somewhere between the two clusters. Which makes sense because Google flights is not known as an aggregator by many. In our first phase of data collection only one out of 18 respondents said that they used Google flights. So it is not clustered along with the aggregators. But why does it have more brand value than aggregators? It could be because anything that Google is associated with is perceived to have more value and is considered reliable.

The Y axis has been labelled as **Confidence in the brand**. All the variables except VAR00007-Paytm, have similar positioning on the graph. The reason why Paytm is low on this index is because Paytm is perceived as a shopping portal/eWallet or an online recharge platform. Its forte is not airline tickets. Hence users do not have much confidence in the brand when it comes to booking air-tickets.

Now, we shall have a look at an analysis of answers of other questions of the questionnaire-

#### Question2.

20% of the respondents said that they buy tickets from the first website/app they visit. This means they are habituated to that platform and do not prefer trying out other platforms. While around 73% respondents answered otherwise. The reasons given by this majority for preferring to explore other options were-

- Not trusting one source only
- Better deals
- Cheaper rates
- More cashbacks
- Timings
- Food

#### Question 3.

The respondents were asked to rank the three options in order of preference. These ranks were totaled and the lowest number was obtained by Website of airline companies. This reinforces the findings of our brand positioning graph that stated that airline companies such as Indigo and Jet Airways were the most valued/preferred brands.

#### Question 4

The findings of another question revealed that price is the most important factor to be taken into account while booking airline tickets. Then comes convenience of time. The methodology remains same as in the previous question- the ranks given by the respondents are totaled and the factor with the lowest total is the highest ranked/most preferred.

It is interesting to note that Natarajan, T., Balasubramanian, S. A., & Kasilingam, D. L. (2017) state that pricing a product is one of the most important decisions that markets take and it is one of the core success factors for a product. This came out to be true in our case as well.

33.33% of respondents believed that social media affects their choice of air travel brands.

An extremely amusing fact was that came up was that the respondents who chose to believe so, also wrote explanations as to why and how social media affected their choice. Please note that these explanations were not explicitly asked for. Some of these explanations are:

- Social media affected my brand preference due to "good/bad conduct" of the company on social media. This also includes various instances that are shared by consumers on social media
- It reveals brand image
- "visibility of a brand on social media shows higher brand potential"

Lipsman, A., Mudd, G., Rich, M., & Bruich, S. (2011) in their work emphasize how important it is to maintain a positive image on social media and create fans and followers.

#### Limitations of the study

The sample size was limited to students of Indian Institute of Management Indore. There are many places in the country which are connected to Indore only via Indigo flights. This could be one of the reasons why Indigo was one of the most preferred brands. If we conduct the same experiment in different geographical locations, we might get different results.

A study by Wen, C. H., & Yeh, W. Y. (2010) states that passenger perceptions of airlines are substantially different across air routes.

#### Conclusion

The airline companies such as Indigo and Jet Airways are perceived as the most valuable and preferred brands with respect to all flight aggregators. Also brands like Paytm have yet to make an impression in the minds of the customers regarding the air ticket booking services they offer. This can be a helpful study for brands like Paytm which may design their marketing campaigns keeping this in mind that they must focus on projecting themselves as a reliable domestic air travel brand in the Indian market.

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## HRM PRACTICES IN HOSPITALITY AND TOURISM INDUSTRY: A REVIEW OF THE LITERATURE

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#### Abstract

This study identifies the human resource practices used in the hospitality and tourism industry through the review of articles published in the hospitality and tourism journals (45 articles, 10 journals) and the other non-hospitality journals (26 articles, 17 journals). The review suggests that key HR practices used in the industry are recruitment/selection, performance management, compensation, training and development, employee empowerment, employee recognition and reward. The study also identifies the focus of past HR research in the hospitality and tourism industry. HRM practices, employee turnover, employee retention/intention to stay or leave, job satisfaction/dissatisfaction, work family conflict/work family issues/flexible working/employee life balance/work well-being, customer satisfaction/firm performance among others have been the dominant aspects of past research. The study also presents a range of gaps in HR research in the hospitality and tourism industry for potential future research.

Key Words: HR practices, Hospitality and Tourism industry

#### Introduction

With growing global competition and increasing consumer expectations, the competitive edge for organisations and destinations and the ability to deliver quality products and services within tourism and hospitality will depend on human resource dimension (Baum et al. 1997). In this process, ability to hire high-quality employees and maximise their contributions to the firm plays an important role (Chow et al. 2007). The labour management aspect has drawn considerable interest of the academics and researchers in the hospitality related literature (Davidson et al. 2006). Although HRM development had its origin in the large manufacturing sector it is gaining its popularity in other sectors. For example, in the hotel industry, Worsfold (1999) noted that there is a correlation between size and the presence of HRM practices in the form of written contracts - provision of equal employment opportunities has also been evident in firms which employed more than 30 employees. Management literature suggests that HRM

is positively associated with employee outcomes and organisational performance (Voorde et al. 2011). However, Lucas and Deery (2004) argued that the establishment of this relationship has been vague.

The hospitality industry is characterised by poor pay, poor employment conditions and a low take-up of HR practices/informal HR policies (e.g. family leave, paid maternity leave, equal employment opportunity, health and safety policy, grievance procedures, communication mechanisms) and relies on low cost and temporary workforce (Knox and Walsh 2005). It has also been found that the hospitality industry particularly in Australia does not plan for sustainable labour practices and employee retention as casualisation has been the dominant strategy to manage the changing demand for labour (Davidson and Wang 2011). High level of turnover at both managerial and operational levels is evident in the Australian hotel industry leading to loss of productivity, lower profitability, and increasing level of training and replacements costs (Davidson and Wang 2011).

Hence the purpose of this review is to identify the various HR practices that have been used in the hospitality and tourism industry, identify the key themes of HR-related past research, and identify the gap for future research.

#### Method

In reviewing the literature on HR issues in tourism and hospitality industry, the key words used for identifying the relevant articles were human resource practices in tourism/hospitality, flexible work arrangements in tourism/hospitality industry, staff turnover and job satisfaction in tourism/hospitality industry using Google Scholar. The search produced a large number of articles published in tourism and hospitality journals and also in other management and HR related journals as the HRM is influenced by management theory which have evolved with changes in the environmental factors such as economic, social, political, technological factors (Davidson et al. 2011). Using random approach, altogether 45 articles were reviewed published in the non-hospitality and tourism journals (n=10) and 26 articles were reviewed published in the non-hospitality and tourism journals (n=17). The articles reviewed included quantitative (empirical/survey) approach, qualitative approach (interviews/focus groups and case studies), and meta-analysis approach (see table 1 for the details of journals and number of articles from each journal).

Table 1 Journals used for this research

Number	Journal Title	Tally	Number of articles
1	International Journal of Contemporary Hospitality Management	/////	10
2	International Journal of Hospitality Management	/////	10
3	Tourism Management	///// ////	9
4	The International Journal of Human Resource Management	///// //	7
5	Journal of Human Resources in Hospitality & Tourism	/////	5
6	Hospitality Management	////	4

7	Journal of Management	///	3
8	Annals of Tourism Research	//	2
9	Tourism and Hospitality Research	//	2
10	Academy of Management Journal	//	2
11	International Journal of Sociology and Social Policy	/	1
12	Employee Relations	/	1
13	International Journal of Hospitality & Tourism Administration	/	1
14	Journal of Hospitality & Tourism Research	/	1
15	Personnel Psychology	/	1
16	Human Resource Management Journal	/	1
17	Journal of Organizational Behavior	/	1
18	Cornell University Publication	/	1
19	Applied Ergonomics	/	1
20	Journal of Indian Business Research	/	1
21	Human Resource Management	/	1
22	Journal of Hospitality and Tourism Management	/	1
23	International Journal of Management Reviews	/	1
24	International Journal of Business and Management	/	1
25	Journal of Vocational Behavior	/	1
26	Organisational Dynamics	/	1
27	Human Resource Planning	/	1
	Total:		71
	Hospitality Journals (10)		45
	Non-hospitality (management and HR) Journals (17)		26

## Focus of past research

The focus of past research in the selected articles is presented in table 2.

## Table 2 Focus of HR-related past studies

Focus of research	Past studies	Type of study
Staff turnover; employee dissatisfaction in hospitality industry	Mohsin (et al. (2015); AIBattat & Som	Empirical 'survey',
	(2013)	Review
Research agenda 'Generation Y hospitality employees' -	Solnet & Hood (2008)	Review
Work-family conflict, job satisfaction, organizational commitment	Namasivyam & Zhao (2007)	Empirical 'survey'
Employee satisfaction, customer satisfaction, financial performance	Chi & Gursoy (2009)	Empirical 'survey'
High performance HR practices, work engagement, generation effects, hotel employees, performance	Karatepe (2013); Park & Gursoy (2012)	Empirical 'survey'
Antecedents and consequences of job satisfaction in hotel industry	Yang (2010)	Empirical 'survey'
Employee retention and WLB – job attitudes, employee dimensions, organisational strategies; WLB framework	Deery (2008); Deery & Jago (2009)	Review
Flexible working in the hospitality industry	Lockwood & Guerrier (1989)	Empirical 'survey'
Work and family issues 'work characteristics, work stress and burnout' (little research)	Cleveland et al. (2007)	Qualitative research 'focus groups and interviews'
Temporary work, working hours, work-life conflict and health in hotel work (little research)	McNamara et al. (2011)	Empirical 'survey'
Staff turnover in the Greek tourism industry – current and future strategies	Chalkiti and Sigala (2010)	Empirical 'survey'
Policy dimensions of HRM	Baum et al. (1997)	Conceptual
HRM practices, service excellence, turnover intentions and psychological contract, gender role, work-family conflict	Santhanam et al. (2017); Lu at al. (2016); Blomme et al. (2010a); Blomme et al. (2010b)	Empirical 'survey'
HRM best practice, employee satisfaction, job retention, firm performance	Ashton (2017); Huselid (1995); Huselid et al. (1997)	Empirical 'survey'
High performance HR practices and service climate, service	Tsaur & Lin (2004);	Empirical
behaviour, hotels	Tang & Tang (2012); Wang et al. (2011)	'survey'

HRM, Job satisfaction, morale, optimism, turnover; skill shortages; nepotism	Chow et al. (2007); Davidson & Wang (2011); Davidson et al. (2010); Arasli et al. (2006)	Empirical 'survey'
Strategic HRM, integrative HRM, traditional HRM, universal HRM, performance, and future research agenda	Madera et al. (2017); Gannon et al. (2015); Panayotopoulou et al. (2003); Wright & Boswell (2002); Hughes (2002); Sheppeck & Militelo (2000); Wright (1998); Schuler (1992);	Case studies, review
Job involvement, work engagement, job satisfaction, commitment, and turnover	Zopiatis et al. (2014); Yeh (2013)	Empirical 'survey'
HRM, employment, organizational flexibility, turnover culture, Australian, MNC China and Singapore hotel industry	Davidson et al. (2006); Knox et al. (2005); Deery & Shaw (1997); Cheng & Brown (1998); Nankervis & Debrah (1995)	Empirical 'survey'; Case studies
HRM practices, service quality / behaviour, customer satisfaction, and performance in the hotel industry	Chand (2010); Chand & Katou (2007); Cho et al. (2006); Browning (2006); Alleyne et al. (2006); Worsfold (1999)	Empirical 'survey'; Mixed method 'focus groups/survey'; Review
Individual and organisational factors, job satisfaction and intention to leave/stay in the hospitality industry	Kim & Jogaratham (2010); Cho et al. (2009)	Empirical 'survey'
HRM, hospitality, tourism, change, employee well, being, performance, and future agenda for research 'neglected and fragmented'	Baum et al. (2016); Baum (2015); Davidson et al. (2011); Baum (2007); Voorde et al. (2012)	Review
High performance work practices, HRM issues, commitment, job satisfaction, organizational performance	Kusluvan et al. (2010); Kooij et al. (2010); Combs et al. (2006); Lucas and Deery (2004)	Review: Meta- analysis

HR recruitment, selection and retention issues in the hospitality and tourism industry	Chan & Kuok (2011)	Empirical 'survey'
Training and development, job satisfaction, loyalty and intention to stay	Costen & Salazar (2011)	Empirical 'survey'
Seasonality in tourism and HR challenges	Joliffe & Farnsworth (2003)	Conceptual
Innovation / creativity in tourism and hospitality, HRM practices	Jaiswal & Dhar (2017); Chang et al. (2011);	Empirical 'survey'; Review
	Hjalager (2010)	
Employee turnover and retention strategies	Yang et al. (2012)	In-depth interviews

From the table above, it can be seen that the dominant themes covered in the past research include HRM practices (12); staff/employee turnover/intention to stay or leave/retention (12); job satisfaction/dissatisfaction (10); work family conflict/work life balance/work family issues/flexible working/employee well-being (7), customer satisfaction/firm performance (7). The following sections present the outcome of review particularly the HR practices used in the hospitality/tourism industry followed by the identification of research gap.

#### Hr practices used in hospitality and tourism industry

Understanding how HR can be managed to improve creativity and enhance productivity is a very important task both for the researchers and practitioners as they can be a major component in a firm's cost structure (Combs et al. 2006). The literature suggests that HR practices can be a source of competitive advantage if they are aligned with a firm's competitive strategy (Panayotopoulou et al. 2003, Schuler 1992). Some of the high performance work practices (HPWPs) that have been widely discussed in the human resource literature include self-managed teams, decentralised decision making, employee empowerment, open communication, information sharing, flexible work arrangements/job assignments, performance-based pay, rewards and incentives, training programs to develop knowledge/skills and abilities, staffing based on person-job and person-organisation fit, assessment of attitude, job design, grievance procedures, labour-management participation programs, comprehensive employee recruitment and selection procedures, promotion, and extensive employee involvement in decision making process (Huselid 1995, Evans and Davis 2005; Wang et al. 2011; Karatepe 2013). Posthuma et. al. (2013) presented a taxonomy of high performance human resource architectures in four levels: high performance work (HPW) principles, HPW policies, HPW practices and HPW products.

HR practices used in hospitality and tourism industry include recruitment and selection, manpower planning, job design, training and development, quality circle and pay system (Chand 2010); information sharing, job analysis, internal recruiting, attitude surveys, labour management participation surveys, grievance procedure, pre-employment tests, compensation on job performance, performance appraisals, promotion criteria (seniority, merit, etc.), and training (Cho et al. 2006); selection policies, participation in decision-making, training,

performance appraisals, empowerment, and compensation (Tang and Tang 2012); job analysis, staffing, career planning, performance appraisal, pav-for-performance, employee voice, dispute resolution, and job security (Chow et al. 2007); recruitment and selection 'consisting of: harmonised terms and conditions, single status for all staff, internal promotion norm, employment test criteria, merit element in selection, multi-skilling and experience', manpower planning 'consisting of: formal manpower planning, work culture, career planning, involvement of all departments', job design 'flexible job description, development of learning organisation, cross-cultural job design, team working', training and development 'consisting of: need based T&D criteria, formal system of induction, learning organisation, formal T&D', quality circle 'consisting of staff involvement in objective setting, production/service staff responsible for their service, employees are involved in quality circles, regular use of attitudes surveys', and pay system 'consisting of: staff informed about market condition and company performance, merit element in pay package, formal appraisal for all staff, no financial incentives, social appreciation and recognition (Chand and Katou 2007). Some of the skills that the employees demonstrate in their application include human relation skills, oral communication skills, interpersonal skills, problem solving skills, teamwork skills, related work experience, critical thinking skills, leadership skills, business knowledge skills, written skills, office information system skills, computer software application skills, computer literacy, and non-verbal skills (Chan and Kuok 2011).

Some of the examples of bundles of HRM practices are: 1) performance appraisal, remuneration, and training; 2) recruitment/selection, training and development, compensation and benefits; 3) training, communication, empowerment, performance appraisal; 4) hiring the right people, developing employees, empowering employees, providing support systems and retaining the best people; 5) employee recognition, respect and reward (Kusluvan et al. 2010).

# Research gaps in hospitality hr: a brief review

Kusluvan et al. (2010) reported that there is a gap between theoretical propositions/empirical findings and the realities of people management in the tourism and hospitality industry. The possible reason why such gap has arisen has been attributed to several factors which include pool of low-skilled and easily replaceable employees, deficiency in the methodologies used in past studies, unprofessional managers and owners, high costs and small profit margins, unstable and insufficient demand, seasonality effect, competitive pressure on organisations, etc. (Kusluvan et al. 2010: 192). To address this issue more conceptual and empirical studies have been recommended. The second issue they have identified is the conceptual developments in the selection of right employees to incorporate employee personality, service orientation, emotional intelligence etc. as there is growing importance attached to these dimensions of people management. In terms of methodologies, it has also been argued that most of the empirical studies are based on subjective perceptions of mangers – use of objective data incorporating the views of employees and customers could make a worthwhile contribution to the HRM literature (Kusluvan et al. 2010).

Although there are several studies available in the area of HR issues in the general and strategic management literature, validity of many of the propositions and models presented in the HR literature have not been tested in the tourism and hospitality industry. Management of employment / human resources in tourism and hospitality industry is challenging because of seasonality effect / variations in demand with time (Joliffe and Farnsworth 2003) which

suggests that there is a need for further research in this area. The hospitality industry is expected to grow with time not only in developed economies but also in developing economies giving rise to different ways of handling hospitality to match the specific culture which calls for innovative and location-specific models as one-size fits model does not work (Davidson et al. 2011). Therefore, further research is needed to explore the applicability of universal HRM in hospitality industry and examine whether there are any barriers in its application (Hughes 2002).

Although past studies suggest that employee turnover in the hospitality industry can be attributed to inappropriate work placement, inappropriate recruitment process, dissatisfaction with the compensation (salary, benefits, etc.), job stress and burnout, there is still a gap in understanding of the factors that lead to turnover (Yang et al. 2012). It has also been discussed that job stress and burnout are some of the aspects of employee well-being leading to employee turnover. However, there is still a gap in understanding of how and why HRM leads to specific types of well-being (e.g. happiness, health, relationship) and whether they are associated with employee and organisational performance (Voorde et al. 2011). It has also been highlighted that despite the availability of several studies dealing with job involvement, organisational commitment, job satisfaction (intrinsic and extrinsic), and turnover intentions of hospitality employees, many of them are 'somewhat anecdotal in nature' (Zopiatis et al. 2014: 136). Therefore, further studies on employee turnover can be justified on the grounds that employees have a big role to play in the hospitality product and there is a need to develop and implement the policies to mitigate employee dissatisfaction and their intention to quit (AIBattat and Som 2013). Gap in understanding of the relationships between organisational factors such as intrinsic motivation, supervisory leadership, participative decision-making, job satisfaction and employees' intention to stay or leave has also been discussed (Kim and Jogaratnam 2010).

Based on a review of over 100 HRM related papers, Lucas and Deery (2004) noted that HRM research in hospitality sector is basically a replication of mainstream HR research or hospitality data has been used to test generic HR theory. Therefore, they have proposed that HR research should be extended to make it more specific to hospitality industry so that the research becomes more relevant and useful. They also have drawn the attention of researchers in addressing the following issues: 1) 'the role of HR in managing the 24/7 work environment and the impact of shift work on health, work and family life, 2) managing the safety and wellbeing of employees in dangerous environments, and 3) the conflict between the cultural values of the owners and managers of large global companies and those of the host company' (Lucas and Deery 2004: 471).

Through the review of the literature, Solnet and Hood (2008) made an assessment of the impact of the new generation of employees entering the hospitality workforce and presented a research framework linking the following factors: 1) external influences (societal, political, technological, and historical) on Gen Y work values (respect, recognition, input and involvement, continuous development, supportive management, fairness, tolerance, equity, concern for individual welfare); 2) organisational influences (vision, mission, values, resources, expertise, strength of culture, service orientation) on HRM strategies (recruitment and selection, induction, training and development, empowerment, supervisor support, intrinsic and extrinsic benefits, communication, performance management); 3) the influences of Gen Y work values and HRM strategies on Gen Y work attitudes (job satisfaction, motivation, and organisational commitment); 4) influence of Gen Y attitudes and Gen Y behaviours (level of

absenteeism, standard of performance, and intention to stay and leave); 5) the influence of Gen Y behaviours on organisational outcomes (profitability, turnover, market share, customer retention, reputation as an employer, and competitive advantage). Although Park and Gursoy (2012) incorporated generational (Baby Boomers, Gen Xers, and Millenials) differences in work engagement in their investigation of the relationships between work engagement, job satisfaction and turnover intention, there is still a need to test the various relationships in the framework proposed by Solnet and Hood (2008).

In relation to hospitality employee turnover, Deery (2008) focused on the following four key themes that frequently appeared in the literature: job attitudes (e.g. job satisfaction, organisational commitment), personal employee dimensions (e.g. stress re role clarity and resource inadequacy, job burnout, exhaustion, job overload through 'deliberate understaffing, temporary staff shortages, unrealistic task criteria'), work-life balance (e.g. job stress, job characteristics, work-family conflict), and organisational strategies to assist employee retention (e.g. HR practices - recruitment and training). Based on this review, Deery (2008: 803) presented a framework linking: 1) organisational and industry attributes (long and unsocial working hours, low pay, low skill requirement, educational mismatch, lack of career development) with personal employee dimensions and work-life conflict, 2) personal employee dimensions and work-life conflict with improved organisational strategies, and 3) improved organisational strategies with increased job satisfaction, organisational commitment and employee retention. Deery (2008) also made a number of recommendations which include the provision of flexible working hours, flexible work arrangements etc. so that the hospitality organisations will be able to retain their talented staff. Deery (2008) also argued that employee turnover causes stress, work overload, low job satisfaction and little organisation commitment which needs to be addressed. There is also a need to examine work-life balance issues in the hospitality and tourism industry and its relationship with organisation outcomes (employee turnover, absenteeism, quality of work life and performance) and proposed a framework for testing and further refining (Deery and Jago 2009).

Seasonality, low income, poor social protection, job and income insecurity, work-life conflict and stress are some of the characteristics of the service sector (e.g. hospitality, agriculture) making employment in the sector precarious (McNamara et al. 2011). Despite the requirement for long, irregular and unpredictable hours of work leading to higher level of employee turnover in the hospitality and tourism industry, work and family issues have received little attention of researchers in terms of their assessment of current practice, future potential and health effects (McNamara et al. 2011; Cleveland et al. 2007; Lockwood and Guerrier 1989).

Blomme et al. (2010a) suggested that there is a need for in-depth research in examining the relationship between the measures of psychological contract and employees' intentions to leave in the hospitality industry. Psychological contract refers to the relationship between employer and employees e.g. how employer treats its employees and what kind of contribution employee makes into the job. It is important to ensure that there is a good understanding of the expectations of inputs and outcomes from both sides. Attention has also been drawn to apply psychological contract theory in examining employees' work-related behaviour in the hospitality industry for the delivery of high quality service (Lu et al. 2016).

Although HR managers are aware of the adverse impact of employee turnover on productivity and service quality, there is a need for further study to examine the time and money

spent by hotels in training new employees and their implications on employee performance (Davidson et al. 2010). The role of HRM practices in hospitality industry in promoting incremental and radical innovation has also been discussed particularly the use of 'hire for skill and train for skill' strategy (Chang et al. 2011: 816). The innovation research in tourism is, however, at the early stage and it needs to be addressed in multiple ways using several methodological approaches (Hjalager 2010). Some of the themes of innovation that have received patchy coverage include innovation processes in tourism enterprises, driving forces of innovation, innovation and economic performance (what type of innovation produces what type of results and in what kind of enterprises), technological innovations, diffusion of innovation, role of entrepreneurship, innovation policy issues, the nature of innovations in public tourism service provision, in destination management and governance, development of tourism innovation theories (Hjalager 2010).

Tourism involvement demonstrates individual's participation in vacations, encompasses an individual's long-term attitudes toward tourism activities which in turn can influence an individual's behaviour over time e.g. sharing information, sharing experience, adjusting lifestyle, and spending more time in tourism-related activities (Yeh 2013). Despite its significance, tourism involvement remains under-researched particularly with respect to work engagement and job satisfaction among frontline hotel employees. Therefore, it is necessary for hospitality firms to develop an understanding of the conditions that contribute to work engagement and job satisfaction as the engaged and satisfied employees can enhance service quality (Yeh 2013).

Through a critical review of literature over a 10-year period (2005 to 2014), Baum et al. (2016: 1) argued that tourism and hospitality HR aspect has not only been under-researched but also 'suffers from piecemeal approaches at topic, analytical, theoretical, and methods levels'. For advancing workforce theory, policy and practice, Baum et al. (2016: 18) proposed the following platform for future workforce research that includes studies which:

- *draw explicitly on their social science discipline origins and clearly articulate their methodological and theoretical contributions to social science;*
- extend beyond a 'problem solving' managerial perspective on workforce research and seek to engage with explanation as a starting point in seeking change;
- investigate discourses of work and how tourism employment perpetuates or challenges these narratives;
- enunciate a just and sustainable glocal vision for tourism and its co-workers.

Through a review of strategic HRM literature, Madera et al. (2017) identified the research gaps in the hospitality and tourism sector. Their review suggests that there are very few studies which deal with the relationship between strategic HRM and financial measures of firm performance. Therefore, Madera et al. (2017) presented a conceptual model for future research linking HRM strategy with first level of outcomes (employee measures) which is then linked with second level of outcomes (operational measures) which is then linked with the third level of outcomes (financial measures). Contextual variables proposed in their model are: national culture, legal contexts, economic contexts, educational contexts, technology, and leadership (Madera et al. 2017). Various components of HRM strategy proposed in the model are: individual HR practices, high-performance work systems, high commitment systems, high

involvement systems, and high investment systems. Employee measures in the first level of outcomes include job satisfaction, organisational commitment, employee engagement, employee helping behaviours, employee skills, employee motivation, perceived organisational support, turnover intentions, and perceived fairness. Operational measures in the second level of outcomes include service speed, service quality, innovation, safety behaviours, customer service behaviours, customer satisfaction, labour productivity, creativity, workforce turnover, and customer loyalty. Financial measures in the third level outcomes include profit, revenues, sales, stock price, sales growth, return on invested capital, return on assets, market share, market return, net revenue per employee, cash-flow, and profit to earnings ratio (Madera et al. 2017: 59).

# Conclusions

Based on a review of 45 hospitality related journal articles and 26 non-hospitality related journal articles, this study identified the various HR practices used in the hospitality and tourism industry. The study also identified a range of research gaps in the HR area in the context of hospitality and tourism industry for future research.

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# THE MARKETING OF URBAN TOURISM DESTINATIONS THROUGH VIRTUAL REALITY: TOURISM MARKETERS' PERSPECTIVES

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# Abstract

Despite the growing body of literature supporting Virtual Reality's (VR) effectiveness as a destination marketing tool, empirical research employing a tourism marketing perspective in this specific context remains scarce. Therefore, this exploratory study aims to bridge this gap by exploring the internal and external factors affecting VR adoption from the perspective of tourism marketers. A multi-case study strategy using interviews with seven tourism marketers from Destination Marketing Organizations (DMOs) in three UK-based urban tourism destinations was employed. Interview data were analyzed using thematic analysis. This study argues that certain perceived internal (positive tourist behavioral intentions and positive tourist perceptions) and external (competitive pressures and attract global markets) factors are positively associated with tourism marketers' VR adoption. Theoretical contributions and practical implications are provided.

Key Words: Virtual Reality; Destination Marketing; Tourism Marketers; Urban Tourism Destinations.

# Introduction

The growing interconnectivity through advances in transportation and technology has in part led to increasing competition among urban destinations around the globe (Ichikawa, Yamato, & Dustan, 2017). City destinations must establish a competitive advantage by finding new concepts and marketing strategies to differentiate themselves and sustain long-term tourism growth (Xu & Zhang, 2016; Walls & Wang, 2011). Tourism marketers could utilize Virtual Reality (VR) as an innovative marketing tool to promote their services to prospective tourists and provide them with new ways of browsing where they can 'feel and experience' the destination as opposed to browsing through traditional media such as print or electronic catalogues (Disztinger, Schlogl, & Groth, 2017; Huang, Backman, Backman, & Chang, 2016). Previously it was argued that the immersive nature of VR is effective in attracting strong interest from tourists, influencing attitudes, and motivating behavioural intentions, which confirms VR's effectiveness for marketing (Jung, tom Dieck, tom Dieck, & Moorhouse, 2017; Tussyadiah, Wang, & Jia, 2016; Pantano & Servidio, 2011). However, tourism marketers are

faced with strategic decisions about investment in different VR platforms and modalities (Tussyadiah, Wang, & Jia, 2017). To date, research in this area has largely focused on tourists' experiences (e.g. Jung, tom Dieck, & Moorhouse, 2017; Tussyadiah, Wang, Jung, & tom Dieck, 2018; Disztinger et al. 2017) and activities during the touristic trip. However, there is limited research on the opportunities of VR for destination marketing (Griffin, Giberson, Lee, Guttentag, & Kandaurova, 2017), and empirical research including exploratory qualitative research from the perspective of tourism marketers in this specific context is scarce. Indeed, previous research has suggested that VR could be beneficial to tourism marketers, and suggestions for future research include an exploration of the implications and opportunities of VR for tourism marketers (Griffin et al. 2017). Therefore, this study aims to contribute initial exploratory research by providing valuable insights into the internal and external pressures associated with VR for destination marketing from the perspective of tourism marketers, with specific knowledge and expertise in marketing urban tourism destinations.

#### Method

A multi-case study strategy using qualitative data collection with seven destination marketers in three UK-based urban tourism destinations was employed. Interview participants included one Commercial Director (P1), four Marketing Managers (P2, P4, P6, P7), one Digital Executive (P3), and one Head of Visitor Economy (P5) of four DMOs. DMOs were chosen as sample because they are responsible for the management and marketing of destinations and play a key role in winning increasingly demanding and experienced consumers through the intensive use of innovative technologies (Martins, Costa, & Pacheco, 2013). The interviews were conducted in summer 2017, and each interview lasted between 30 to 40 minutes. Several areas were broadly explored including the perceived benefits and barriers, perceived organizational capability, and perceived external pressures associated with VR implementation for marketing purposes. Thematic analysis was employed to systematically identify meaningful relationships and commonalities within the data set (Mills, Durepos, & Wiebe, 2010; Braun & Clarke, 2012). Overall, nine themes were identified. This study argues that certain perceived internal factors including positive tourist behavioral intentions, positive tourist perceptions, and external factors including competitive pressures and attract global markets are positively associated with tourism marketers' VR adoption. Furthermore, the internal factors that are negatively associated with tourism marketers' VR adoption include organization readiness, limited funding, commercial return, and the external factors include tourist readiness and industry readiness.

# **Findings and Discussion**

The findings indicated that tourism marketers' perspectives of VRs potential as an effective marketing tool lies in its ability to influence positive tourist behavioural intentions, positive tourist perceptions, and attract global markets to urban tourism destinations. To support this, P6 stated, "VR is perfect for enticing people here, for destination marketing and pre-arrival. I think VR could really motivate them to visit" *(positive behavioural intentions)*, "people are surprised what [the city] looks like now, so I think to change those misconceptions through VR would be useful" (P4) *(positive perceptions)* and "VR has the potential to attract international visitors and make them aware of the city product" (P3) *(attract global markets)*. However, the specificity of the tourist target market must be clearly identified prior to investment, and "it could be that VR is directed at millennials, but with the cost implications for development and the service, would the end price be out of reach for that market? We have to take this into consideration" (P2). Moreover, the findings suggested that tourism marketers

are challenged with lack of knowledge on how to integrate and deploy such innovative technologies to effectively influence consumers' travel decisions and therefore need to be more informed on VR technologies as suggested in previous research (e.g. Tussyadiah et al. 2017; Griffin et al. 2017). This largely relates to the *organisations readiness* and internal capability in terms of funding, employees' skills and ability, and general knowledge on VR development and implementation, and therefore requires further time and monetary investment. In support of this, P3 stated, "I see potential for VR but the hurdles that we have come across is how we use it. We are unsure of how to implement it and we need to do further research". Moreover, a main concern for tourism marketers is to see a *commercial return on investment* in VR technologies given the barrier of *limited funding*, as P1 stated, "The costs are quite high, we have really got to evaluate the commercial return".

Furthermore, the findings provided an alternative perspective on previous research concerning tourists' behavioural intentions (e.g. Jung et al. 2017; Tussyadiah et al. 2017). However, the findings indicated that despite the extensive findings in this area, several tourism marketers suggested that tourists' expectations of city destinations to integrate VR technologies are yet to arrive, although the near future could challenge such perceptions (tourist readiness). For example, P5 stated, "I don't think VR is a deal-breaker at this point, I don't think visitor expectations are there yet...but it will be in the future". Likewise, "another challenge is general awareness of VR... it needs to be made as easy as possible for people to use and understand" (P6). Nevertheless, the external environment presses the need for tourism marketers to advance their understanding of how to strategically invest and implement innovative technologies such as VR into the marketing plan to achieve differentiation and competitive advantage. Competitive pressures in the external environment could be a motivating factor to implementation as P2 stated, "I think implementing VR would give [the city] a competitive edge", and "implementing VR into the destination offerings has the power to differentiate" (P6). However, because VR is in the early stages of adoption from both tourists and industry, a highlighted concern is that, "we are relying on the visitor to have the quality equipment, maybe in a few years every household will have a VR headset so then it would be easier to reach them through VR and attract them to the destination" (P3). Nevertheless, although VR faces several barriers at the moment, "it will be useful in the future, whether that is in two years or four years, the time will definitely come" (P3).

# **Conclusion and Implications**

This exploratory study broadly explored tourism marketers' perspectives on the internal and external factors affecting their VR adoption. It is important to explore the topic from tourism professionals' perspective to gain a deeper insight into present perceptions and intentions on VR implementation so that barriers can be overcome to encourage adoption. To date, the extant research on VR for destination marketing has paid insufficient attention to tourism marketers' perspectives on VR. To begin to bridge this knowledge gap, this study investigates VR for destination marketing in this specific context. This study theoretically contributes to the tourism literature by identifying several internal and external factors influencing tourism marketers' adoption of innovative technologies such as VR for marketing. Further, this study provides important practical implications for tourism professionals by highlighting the potential benefits of VR implementation for them, for researchers by contributing initial exploratory research into this topic, and for developers by indicating that VR usability should be a relatively simple process to facilitate organisational adoption. Furthermore, several limitations pertain to generalisability and sample size. Only three urban tourism destinations in the UK were used as a multi-case study, which limits the generalisability of the findings, and only seven participants were included in this study, therefore, limiting the scope of the analysis. Future studies are recommended to reveal additional emergent themes and strengthen the findings of the present study.

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# THE RELATIONSHIP BETWEEN CONSUMER-PERCEIVED VALUE AND THE PROPENSITY TO USE SPORTS TOURISM EVENT WEBSITES

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# Abstract

This study was conducted to investigate the impact of consumer-perceived value on the propensity to use sports tourism event websites. A self-administered questionnaire was used to collect data from 530 sport tourists who participated in three major sporting events. The correlation analyses show that there was a significant relationship between consumer-perceived value and the propensity to use the websites. This study also portrayed that flexibility and reliability had contributed 11.3 percent of the total variance of the propensity to use the websites. The findings were useful for designing a distinctive website on how to market the products and/or services effectively.

*Key words: consumer-perceived value, online marketing, sports tourism event websites, sports tourists* 

# Introduction

Undeniably, the Internet is now part and parcel of our culture and an integral part of business in the future of the sport and tourism industries. The largest number consumers using the Internet can be found in Asia followed by Europe and North America (Internet World Stats.com, 2007). As referred to the Malaysian Communication and Multimedia Commission (MCMC, 2008), Malaysia was in the second place (57.8 percent) in terms of the number of the Internet consumers among ASEAN countries after Singapore (60.9 percent).

Hence, the Internet influenced various organizations to develop their own websites in order to provide information to online consumers, encourage online shopping, method to enlarge market scale and strategies to create awareness among new customers (Parasuraman, Zeithaml, & Malhotra, 2005). Organizations tend to utilize websites as their marketing tools due to some factors which include the website interesting features as well as a considerably lower charge required in order to develop a website. Previous researchers claimed that from the business perspectives, "to be competitive in today's new marketplace, companies must learn to use the Internet to market their products and services or risk being left behind" (p. 247) (Kotler, Armstrong, & Cunningham, 2005). In conclusion, website is recognized as a comprehensive apparatus to market products and/or services which covers almost every field required (Evans & Smith, 2004).

Research related to sports marketing indicates that the sporting events have been revolutionized. It is heavily influenced by trends, which must consistently be evaluated by sport and tourism industry businesses to meet changing demand from consumers. In the context of this study, consumers are also referred to sports tourists who travel for the purpose of sport as participants, officials, organisers, and spectators (Turco, Riley, & Swart, 2002). For sports events organization to attract and retain consumers, it is essential to provide consumer's values and hence, from the perspective of organization marketing strategy and investments, it seems important not to waste capital or other resources on developing website features and content which consumers want to do or care about (Verma, Iqbal & Plaschka, 2004). Obviously, the sports events market is very competitive, which requires event organizers to be more creative and possesses entrepreneurial skills when marketing their sports events.

Thus, developing sports tourism event websites should stress more on the consumersperceived value rather than the interests of the tourism organizations or the service providers *per se.* In the realm of sport tourism, much of what sells relates to consumers' interests and motivation, but it also relates to the amount of information they have about their options. It is here that information supply, promotion, and the media are very important. If the potential sports tourists are unaware of opportunities, he or she will never choose to visit a destination or a sporting event.

For instance, tourists would most likely to use the tourism's websites for the purpose of obtaining essential information on tourism related services and products such as transportation, accommodation, tour packages, and tourist destinations provided by the organization. Likewise, as far as sporting events are concerned, they would likely to browse through the Internet for the related websites to acquire detail schedules about the events, timing, venues, competitions, and other ancillary services and products offered by the organizers. Moreover, some of the sporting events are required and encouraged the participants and spectators to register or purchase the tickets online for participating in the respective events.

Most studies on consumer-perceived value in relation to travel and tourism websites focused on the attributes, consequences and the desired end-states (core value, purposes and goals) associated with the product (Woodruff, 1997; Lexhagen, 2008). However, in regard to the Internet consumers, little work so far has explored regarding the propensity to use sports tourism event websites particularly in Malaysian context. Thus, this study was conducted to determine the relationship between consumer-perceived value of sports tourism event websites and the propensity to use the websites, and to examine the influence of consumer-perceived value of sports tourism event websites on the propensity to use the websites. Eventually, the findings from this study enable the sports tourism providers' gain better understanding of a diversity of tourists' perception relating to the benefit values of sports tourism event websites and their propensity to use the websites.

#### **Research questions**

1. Do tourists prefer to use sports tourism event websites before participating in the events?

2. Is there a relationship between consumer-perceived value of sports tourism event websites and the propensity to use the websites?

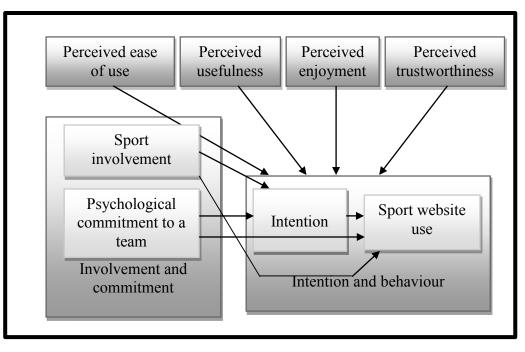
3. Does the consumer-perceived value of sports tourism event websites influence the propensity to use the websites?

# Literature review

# **Perceived value**

Consumer-perceived value of the services and/or products is becoming important in business success. Woodruff (1997) explained that the consumer-perceived value is considered as a basic requirement for long term success. According to Ziethaml (1988), consumer-perceived value refers to the consumers' overall assessment of the utility of a product or service based on what is received and what is given. However, consumers' overall assessment can only be made after he or she accepts the product or service. Likewise, Patterson and Spreng (1997) defined perceived value as a consumer's overall evaluation of the net benefit of a product or service based on a consumers' appraisal. Nevertheless, in line with Cronin, Brady and Hult (2000), consumer-perceived value in this study refers to a concept which is believed to directly and indirectly affect the consumer value is marketing concepts of quality, loyalty and satisfaction all of which are believed to directly and indirectly affect behavioural intentions.

Previous researchers have devoted their effort in conducting earlier research on consumer-perceived value related to numerous field, including pre-purchase search and decision-making (Oorni, 2004), tourism destinations (Cai, Feng, & Breiter, 2004), consumer behaviours (Jang, 2004), and challenges in new technology adoption (Gilly, Celsi, & Schau, 2012). In addition, previous studies were also focused on consumer-perceived value in relation to information technology (Overby & Lee, 2006; Yadav & Varadarajan, 2005), e-commerce (Woodruff & Gardial, 1996), mobile service delivery (Kleijnen, Ruyter, & Wetzels, 2007), and dimensions and expressions of consumer-perceived value in travel and tourism websites (Lexhagen, 2008).



In addition, the previous literature also indicates that the benefits perceived are often used interchangeably with the consumer-perceived value of sports tourism websites. The benefits perceived are accessibility, flexibility, interactivity and reliability (Mircheska & Hristovska, 2010). In this study, the consumer-perceived value was derived from the SWAM model developed by Hur, Ko & Claussen (2011) which was based on the Theory of Acceptance Model (Davis, 1989) and the Theory of Reasoned Action (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975). Initially, the SWAM model has listed four belief attributes about sports websites which include the perceived ease of use, perceived usefulness, perceived enjoyment and perceived trustworthiness as shown in Figure 1.

#### Figure 1: The SWAM theory

(Source: "Acceptance of sports websites: A conceptual model" by Hur, Ko and Claussen, 2011, International Journal of Sports Marketing & Sponsorship, 209-224).

#### Propensity to use sports tourism event websites

The propensity to use sports tourism event websites is derived from the intention behaviour towards the technology adoption. It was conceptualized as the degree to which online consumers' perceived disposition to use sports event tourism websites and is reflected in the volitional aspects of their behaviour. The propensity to use websites reveals online consumers' tendency towards using the Internet, particularly the sports event tourism websites; the degree to which online consumers' act to influence their environment and to achieve their goals of consuming the Internet. A higher level of propensity to use will increase the online consumers' intention to use the websites.

According to Buhalis (2003), the use of the Internet technology has transformed tourism organization thoroughly in terms of efficiency and effectiveness. In addition, it changed the way that tourism businesses are performing in the marketplace as well as consumers' interaction with the respective organizations. Although the benefits brought by the Internet were acknowledged by researchers, there was lack of study on how best to employ it (Angehrn, 1997; Sigala, 2003).

Nevertheless, the existence and use of technologies through the developments of search engines, carrying capacity and speed of network has enabled travellers to plan and experience their travel experiences. The development of the Internet has led to the diversity of its consumers. Previous studies stressed on the number of sports fans seeking information related to their team sports through online service (Duncan & Campbell, 1999; Brown, 2003). Hence, it encouraged preliminary growths in the design of the websites (Kitchin, 2006). From a Malaysian perspective, researches on online marketing have been examined extensively. It focused on variables that linked consumers' to online marketing. The studied variables have been determined as factors that influence or hinder consumers to online marketing (Ghani, Said, Hashim, & Mohd Nasir, 2001). Amongst those variables are the demographic profiles of the online consumers' (Gupta, Pitkow, & Recker, 1995; Haque & Khatibi, 2005; Khatibi, Haque, & Karim, 2006) and consumers' characteristics (Haque & Khatibi, 2005; Harn, Khatibi & Ismail, 2006).

Previous findings indicated that the Internet has fundamentally reshaped the way tourism related information is distributed and the way people search for and consume travel (Beldona, 2005; Gretzel, Ferenmaier & O'Leary, 2006; Kahn, Vogt, & MacKay, 2006; MacKay, McVetty, & Vogt, 2005). According to Koumelis (2008), the Internet connection to the tourism, travel, and hospitality industries has changed the original structure of several

industries including the management and marketing. He added that the Internet intervention has affected the marketing structures and practices as well as the process of distribution channels. However, in order to optimise the effectiveness of the marketing activities, we need to understand how consumers make their decision to buy, use or engage in sports tourism product and services. Then, we know where and when we need to intervene in this process to achieve the desired results.

# The relationship between consumer-perceived value and the propensity to use sports tourism event websites

There are limited literatures comprehensively discussed on the relationship between consumer-perceived value and the propensity to use sports tourism event websites. Existing literature on travel and tourism often discussed on consumer-perceived value in relation to the product or service feature. For instance, research has suggested that the relationship between interactivity and value outcomes, as perceived by buyers and sellers, is moderated by product characteristics (Yadav & Varadarajan, 2005).

From the sports tourism perspectives, it is clear that information on the websites influenced consumers' decision making to attend to particular events since they are aware about the events and marketing websites. Indeed, effective websites, communication in terms of social situational and psychological factors would influence them to make a final decision upon their participation. Some researchers identified that the website marketing was becoming a main resource that is competent in transforming individuals' awareness towards particular events, as well as attraction through knowledge acquisition (Funk & James, 2001).

Existing literature added that attractive event features that are being communicated in the website content would strengthen existing mental associations for previous attendees or assist in creating awareness of these features among non-attendees visiting the website (Gladden & Funk, 2002). Indeed, researchers stressed on strategies to build consumer attitudes-intentions behaviours through product knowledge improvement, special discount offered, promotion strategy and offer trial product (Butch & Benet, 1998).

Since the appearance of the Internet in the late 1990s, a growing concern has been marketing communication on tourism, particularly destination websites (Kim & Fesenmaier, 2008; Park & Gretzel, 2007; Xiang & Fesenmaier, 2006). The bulk of the research has focused on identifying how potential tourists make travel decisions (Kaplanidou & Vogt, 2006; Park & Gretzel, 2007; Weaver, Weber, & McCleary, 2007). The correlation between a website surfers' perceived value and consequent behaviour has been confirmed in many tourism studies. For example, Ahmad and Juhdi (2008) suggested that positive beliefs (perceived value) about the use of travel websites can predict the propensity to use travel e-services in future. Furthermore, based on content analysis of 203 existing websites, Jeong and Choi (2005) demonstrated the effects of consumer-perceived value of willingness to purchase a product or service.

#### Methodology

This study was part of a larger study that explores factors affecting the tourist's propensity to use sports tourism event websites. A quantitative approached with a correlational research design were used in this study

#### **Population and sample**

The population consists of sports tourists' who travel to attend three major sporting events conducted in three different venues in Malaysia in 2013. It was estimated that 135,000 populations involved in these events, particularly 35,000 in Standard Chartered KL Marathon, 2,000 in Port Dickson International Triathlon and 98,000 in Monsoon Cup Terengganu. A simple random sampling technique was used to select the respondents' of this study. As a result of the sampling process, the total sample consisted of 530 respondents (59.4 percent male and 215 or 40.6 percent female). There were 47 (8.9 percent) respondents aged below 20 years, 300 (56.6 percent) aged between 20-29 years, 119 (22.4 percent) aged between 30-39 years, 46 (8.7 percent) aged between 40-49 years, and 18 (3.4 percent) aged 50 years and above. With regards to participation in sports event tourism in a year, it was reported that 244 (46 percent) respondents were involved at least once or twice, 161 (30.4 percent) involved three to four times a year, 46 (8.7 percent) five to six times, and 79 (14.9 percent) seven times and more.

## Instrumentation

A self-administered questionnaire was utilised to obtain data pertaining to study variables. The questionnaire consists of three sections. Section A contained 10 questions related to the subjects' personal characteristics which include gender, age, nationality, race, marital status, academic qualification, employment status, monthly family income, number of dependents, and frequency of involvement in sports events in a year. All items are rated based on closed-ended response question.

Section B consisted of 21 questions and is focused on the propensity to use the websites, particularly on consumer-perceived value. This section was designed by referring to the website attributes adapted from the SWAM by Hur et al. (2011) and previous literature. The websites attributes included in this section were accessibility, flexibility, interactivity and reliability. All items are rated on a 7-point Likert Scale response format with values ranging from 1 (Strongly Disagree) to 7 (Strongly Agree).

Section C consisted of five items related to the propensity to use sports tourism event websites. Theory of Reasoned Action (TRA) is applied in this section due to the significant relationship between intention and behaviour. A 7-point Likert Scale response format with values ranging from 1 (Strongly Disagree) to 7 (Strongly Agree) was used to measure the variable.

The research instrument of this study had been tested for validity and reliability. The measurement scales were found to be psychometrically sound. The Cronbach's Alpha Coefficient of the measurement scales were larger than 0.70 which is a reasonably high reliability and appropriate to be used in the study (Hair, Black, Babin, Anderson, & Tatham, 2006).

#### **Data collection**

The distribution of the questionnaire took place only after the researcher managed to identify the respondents' of the study. The questionnaire distribution process was assisted by post-graduate students from one of the northern region's universities in Malaysia. Their involvements in this survey were on a voluntary basis. Prior to the actual survey, they have been contacted in advance and briefed about the study. The respondents have been approached by the researcher and enumerators on the day of the event. Each distributed questionnaire was noted with specific date respectively, for the data coding purposes. The confidentiality and

anonymity for participating in the study were explained to the respondents. Since the questionnaire took about 10 minutes or lesser to be completed, the researcher waited whilst respondents' completed the questionnaire and collected them immediately.

# Data analysis

All gathered data were analysed by using the Statistical Package for Social Science (SPSS) Version 19.0. A descriptive analysis was performed to provide information on personal characteristics of the sample. Then, a factor analysis and reliability testing were carried out to test the validity and reliability of the questions employed. This study utilised an inferential statistics using Pearson correlation and a multiple regression analysis to determine the relationship between the whole set of independent and dependent variables in the research framework.

# Results

# 1. Do tourists prefer to use sports tourism event websites before participating in the events?

Table 1 indicates the means and standard deviation of the propensity to use sports tourism event websites among respondents. The results indicate that the overall mean of propensity to use sports tourism websites is 5.65, with the item "The website influences participants to recommend others to use them in the future" scored the highest mean (M = 5.78), followed by "The website is a major source of information among participants" (M = 5.72), "The website influences participants to continue seeking information in the future" (M = 5.68), "The website allows participants to spend more time to search for information" (M = 5.55), and "The website influences participants to continue to purchase sports products in the future" (M = 5.52). Thus, the findings of this study can be implied that tourists attending those events had a moderately high tendency to use the sports tourism events websites in the future before participanting in the respective events.

#### Table 1

	Item	М	SD
I u	se the websites because it		
1.	influences me to continue seeking information	5.68	1.09
	in the future.		
2.	is my major source of information.	5.72	1.67
3.	allows me to spend more time to search for	5.55	1.05
	information.		
4.	influences me to recommend others to use	5.78	.98
	them in the future.		
5.	influences me to continue to purchase sports	5.52	1.05
	products in the future.		
6.	Overall propensity to use websites	5.65	1.17

Descriptive analysis of propensity to use sports tourism event websites (N=530)

# 2. Is there a relationship between consumer-perceived value of sports tourism event websites and the propensity to use the websites?

Based on the data, the results of the Pearson Correlation test in Table 2 indicate that it was significance at .01 (r = 0.331, N = 528, p < 0.01). Likewise, as shown in Table 3, the mean scores for each of the components of the perceived value also display a positive significant relationship with the mean score of propensity to use sports tourism event websites. This result obviously showed a moderate relationship between the variables. The findings indicate that the higher the score of the consumer-perceived value, the higher would likely the score of the propensity to use sports tourism event websites.

### Table 2

The correlation between consumer-perceived value and the propensity to use sports tourism event websites (N=530)

Variables	Consumer-perceived	Propensity	
	value		
Consumer-perceived	1.000	.331**	
value			
Propensity	.331**	1.000	

\*\* Correlation is significant at the 0.01 level

Table 3 Correlations of each dimension of consumer-perceived value on the propensity to use sports tourism event websites (N=530)

		Propensity	Accessibility I	nteractivity	Flexibility	Reliability
Propensity	Pearson Correlation	1	.255**	.269**	.321**	.294**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	530	530	530	530	530
Accessibility	Pearson Correlation	.255**	1	.626**	.680**	.559**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	530	530	530	530	530
Interactivity	Pearson Correlation	.269**	.626**	1	.679**	.678**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	530	530	530	530	530
Flexibility	Pearson Correlation	.321**	.680**	.679**	1	.636**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	530	530	530	530	530
Reliability	Pearson Correlation	.294**	.559**	.678**	.636**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	530	530	530	530	530
**. Correlation is significant at the 0.01 level (2-tailed).						

# 3. Does the consumer-perceived value of sports tourism event websites influence the propensity to use the websites?

As shown in Table 4, the results reveal that the *F* statistic of the model is 34.751, the associated probability is .000, the value of  $R^2 = .117$  and the adjusted  $R^2 = .113$ , p = < .05. Thus, the findings of this study indicate that 11.3 percent of the total variance of the propensity to use

sports tourism event websites was explained by components of consumer-perceived value. Amongst these variables included in the regression equation, only flexibility and reliability appeared as significant predictors on the propensity to use sports tourism event websites. The flexibility perceived as the strongest contributing predictor as it explained 22.6 percent of variance in the propensity to use sports tourism event websites ( $\beta = .226, p = .000$ ), followed by reliability where it contributes 15 percent ( $\beta = .150, p = .000$ ) of the variance. The results could be implied that the components of consumer-perceived value of sports tourism websites, namely, flexibility and reliability significantly influenced on the visitors' intention to use the websites.

Table 4 Multiple regression analysis of components of consumer-perceived value on the propensity to use sports tourism event websites (N=530)

Model	R	$R^2$	Adjusted.	$R^2$	F	Sig	<b>.</b>
1	.321ª	.10	.101		60.70	.000ª	
		3			1		
2	.341 <sup>b</sup>	.11	.113		34.75	.000 <sup>b</sup>	
		7			1		
Predictors:	(Constant),	A-F					
Predictors:	(Constant),	A-F, .	A-R				
Dependent	Variable: P	ropens	sity to use sport	ts event	s touris	sm websites	5
		-	- •				
	Unstanda		Standardize			Collinea	2
	d Coeffic	ients	d			Statist	ics
			Coefficients				
	В	Std.	Beta			Toleranc	VIF
Model		Err		t	<i>p</i> -	e	
		or			valu		
					e		
1	4.178E-	.04		.000	1.00		
(Constant	17	1			0		
)			.321	7.79		1.000	1.00
	.321	.04		1	.000		0
A-F		1					
2	1.339E-	.04		.000	1.00		
(Constant	17	1	226	1.05	0	505	1.00
)	22.6	0.5	.226	4.25	0.00	.595	1.68
	.226	.05	150	1	.000	50.5	0
A-F	1.50	3	.150	2.02	005	.595	1.60
	.150	0.5		2.82	.005		1.68
A-R		.05		8			0
		3					

#### **Discussion and Conclusion**

The results of this study revealed that the propensity to use sports tourism event websites were moderately high among the online sports tourists attending events at the Standard Chartered KL Marathon, Port Dickson International Triathlon the Monsoon Cup Terengganu. These findings were corresponded with the finding from a research conducted by Kleijnen et al. (2007) when they discovered that the online consumer's propensity to use the websites due to the online service characteristic, including online services, types of online services offered and pricing issues. In addition, the online services appear to create an exchange relationship between consumers and the website retailers. Moreover, previous researchers agreed that the technological advancement and the tourism industry have witnessed some connections for years (Beldona, 2005; Gretzel et al., 2006; Kahn et al., 2006; MacKay et al., 2005; Weber & Roehl, 1999). They revealed that the use of websites enables online connections and channels of communication marketing. Furthermore, they provide information on promotion, product distribution, management and encourage future research on website development.

This research used four constructs - interactivity, reliability, flexibility, and accessibility adapted from the SWAM in the context of consumer-perceived value of sports tourism event websites. The results of this study revealed that there was a significant relationship between consumer-perceived value and the propensity to use sports tourism event websites. The findings seemed to be paralleled with some previous results of Gladen and Funk (2002), Mircheska and Hristovska (2010), and Yadav and Varadarajan (2005) who provided initial support to the findings of this present study that consumer-perceived value driven by the benefits of online services offered will likely lead to the propensity to use sports tourism event websites.

In this regard, the research findings suggested that the more favourable the sports tourism event websites were, the more they were accepted by the tourists. Thus, the propensity to use sports tourism event websites will increase in the future among the sports tourists. Specifically, of the four elements of consumer-perceived value, the results of this research showed that the elements of reliability and flexibility were found to be positively significant affecting the three major events tourists' propensity to use the websites. The element of flexibility in the sports tourism event websites was found to be one of the significant predictors as a determinant for sports tourists to use the websites in the future. This was probably due to the organizations were permitted online information to be modified and updated from time to time. These findings were consistent with the findings by Kuk (2003) when he defined a flexible website as a consumer-friendly website which eventually influences the consumers' approval, encouraging consumers and return visits to a website.

Besides, reliability was also recognized as a significant predictor in this study. The result could be associated with the online information which appeared on the websites to be made consumers-oriented. This finding was consistent with the findings by Kotler et al. (2005). They stated that online consumers tend to make decisions towards particular product and/or service only after they assess and obtain as much online information as possible from the Internet. Therefore, the organizations should put some extra efforts in providing comprehensive information to cater the needs of their target consumers. The reliability of online information and exploration for data, pictures and testimonials of the desired products and/or services prior to their own consumption (Kotler et al., 2005).

Likewise, the results of this research supported the previous literature which reported that consumer-perceived value was derived from many factors, including the criteria of the websites which are interactivity, reliability, flexibility, and accessibility (Janal, 1998; Papacharissi et al., 2002; Kuk, 2003; Kotler et al., 2005, Radzliyana et al., 2013). For example, consistent with this study, previous literature also indicated that successful websites that were being valued by online consumers were measured based on the content of information delivered and the technique applied to present such content of information. Indeed, sports tourists' are keen for reliable information.

This study could contribute to the knowledge of the Internet technology adoption in the marketing of sports tourism events. As this study has demonstrated the importance of travel and tourism websites in the relationship between consumer-perceived value and the propensity to use sports tourism event websites among sports tourists' in Malaysia. Thus, as referred to the research findings, sports tourism organizations must plan their website development vigilantly by taking into account in terms customer perceived-value especially the reliability and flexibility elements of the websites. Thus, the findings of this study could provide sport organizers with a better understanding of the current issues related to online marketing specifically in consumer-perceived value and the propensity to use sports tourism event websites in order to contribute to the development of sports tourism in Malaysia. Furthermore, it could also enable to provide managers in the sport tourism industry with a thoughtful knowledge on how consumers use those given websites as well as to increase the chances of making future contact and even to develop fruitful relationships with them.

However, there are several aspects that restrict the findings of the study. These restrictions provide some directions for future researchers to conduct or maybe replicate it into other fields of interest. The study focused on the influencing factors on the propensity to use sports tourism event websites. The variables that became the interest in this study could be applied to other service sectors related to tourism such as educational tourism or medical tourism services in relation to consumer-perceived value and the propensity to use the websites. This limitation, however, presents an opportunity for future research in this area. Finally, this study suggests that future research should examine the relationship between perceived value and the propensity to use sports tourism event websites by exploring on other components of perceiving value or other attributes as portrayed in other theories or models. The moderating effect of other factors such as motivation and personal characteristics of tourists using other quantitative or qualitative approaches would probably yield further insight into the study.

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# WILDLIFE-BASED ECOTOURISM SCENARIO FOR HUAI KHA KHAENG BUFFER ZONE AREA,UTHAI THANI PROVINCE, THAILAND

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# Abstract

The objective of this study was to propose wildlife-based ecotourism scenario as a significant tool to support the sustainable management of Huai Kha Khaeng World Heritage Site )HKK .(This study comprised of three main parts, including site potential analysis, visitor analysis, and local community survey .The results presented that, overall, the study area has indicated moderate to high potential for wildlife tourism development .For local community survey, the results indicated that there was no special preparation for tourism development in targeted area .The majority of respondents would generally accept tourism development activities .For visitor segmentation, the majority of visitor was the group of casual interest in seeing wildlife )40.00 .(%The wildlife-based ecotourism scenario has designed based on the IUCN Protected Area Category VI which emphasizes on sustainable use of natural resources which has attempted to maximize the benefits of wildlife tourism to wildlife and the natural environment, visitors, host communities, and tourism-related businesses .

Key words :wildlife tourism; Huai Kha Khaeng Wildlife Sanctuary; World Heritage; Thailand

## **Introduction:**

As of one of Thailand's most important biodiversity areas, the Huai Kha Khaeng-Thung Yai Naresuan )HKK-TY (World Heritage Site )WHS (consists of three contiguous protected areas -the Huai Kha Khang )HKK (Wildlife Sanctuary )HKK(; the Thung Yai Naresuan East )TYE (Wildlife Sanctuary; and the Thung Yai Naresuan West )TYW (Wildlife Sanctuary . Stretching over 6,000 square kilometers of the forest area along the Myanmar border, the sanctuaries, which are relatively intact, contain examples of almost all the forest types of continental South-East Asia .They are home to a very diverse array of animals, including 77 % of the large mammals )especially elephants and tigers(, 50 %of the large birds and 33 %of the land vertebrates to be found in this region) UNESCO World Heritage Centre, 2016 .( Additionally, this Protected Area is considered by the Government of Thailand )GoT (as a critical tiger conservation landscape in Thailand) .Department of National Parks, Wildlife and Plant Conservation :DNP, 2013(

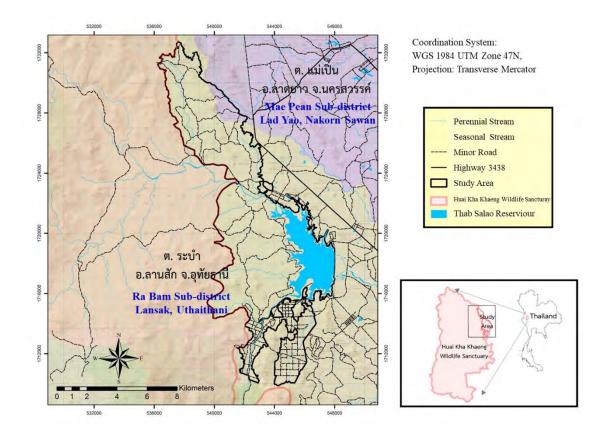
The Thungyai-Huai Kha Khaeng World Heritage site is relatively well protected from threatening processes by its isolation and inaccessibility making it some of the least disturbed forested areas in Southeast Asia .However, a number of current and potential threats persist, illegal logging and wildlife poaching and continued threats from proposed hydro power developments within the buffer zone of the property .Additionally, there are 29 villages located in a 5km buffer zone to the east of HKK .Some of local activities have been recognized as threat to wildlife conservation in the HKK .The government and many organization )i.e. United Nations Development Programme, Wildlife Conservation Society, etc (.attempted to develop and implement mechanisms to incentivize surrounding communities living in an around the HKK to better protect the biodiversity of the World Heritage Site and to adopt more sustainable land use and forestry management practices in the adjacent buffer areas.

Thus, the primary objective of this study )called the Thap Salao Wildlife-based Ecotourism project (was to develop wildlife-based ecotourism scenario to support the sustainable management of Huai Kha Khaeng World Heritage Site )HKK (with the expectation that it can provide sustainable economic benefits while supporting wildlife conservation and improving the livelihoods of local villages in the HKK buffer zone area with the environmental friendly economic activities .Additionally, tourism based on wildlife provides the opportunity for visitors to enjoy, learn and appreciate the value of nature.

# Methods:

### Study Site : Huai Kha Khaeng Buffer Zone Area

The study area is located in the area of the Thab Salao National Forest and Huai Kok Kwai National Forest – called HKK buffer zone -covering the total area of 95.66 square kilometers. For political boundary, approximately 95 % of the study area is in Rabam Sub-District, Lan Sak District, Uthaithani Province )Figure 1 .(The study area was divided into four main parts based on their legal status and land use including :1 (HKK buffer zone area – Zone A, 2 (HKK Breeding Centre, 3 (HKK buffer zone area – Zone B, and 4 (Huai Rabam Forest Plantation .)Figure 2(



*Figure 1* :*Political boundary of study area of Thab Salao Wildlife –based Ecotourism Project* 

*Site 1 :HKK buffer zone area -Zone A :* This site is the main area of Thab Salao Wildlife –based Ecotourism Project .This area is geotagged with Projection – UTM, Zone 47 N and Datum WGS 1984 -northing from 1,713,872 to 1,723,381 and easting from 539,542 to 548,014 .It covers an area of 48.37 km<sup>2</sup> connected to Thap Salao Reservoir, Bueng Charoen Village, and Wang Thong Village .The Thap Salao Reservoir is the highlight of this site with the beautiful landscape .This reservoir, owned and managed by Thap Salao Transmission and Maintenance Project, is mainly used for irrigation, fishing, and also recreation .The Thap Salao Transmission and landscape development to support tourism activities .

*Site 2 :HKK Breeding Centre :* This area is geotagged with Projection – UTM, Zone 47 N and Datum WGS 1984 -northing from 1,721,068 to 1,723,818 and easting from 541,388 to 543,892 covering the area of 3.30km<sup>2</sup>. This area is located in the area of HKK buffer zone connected to the Thap Salao Reservoir .This center was purpose built for breeding the regions threatened wildlife and has become a base for the wildlife conservation and research center.

Site 3 :HKK buffer zone area – Zone B :This site is located on the north part of the study area which encompasses two targeted villages including Khao Khiao Village and Phai Ngam Village .This site is geotagged with Projection – UTM, Zone 47 N and Datum WGS 1984 - northing from 1,723,381 to 1,732,344 and easting from 536,232 to 542,478 covering the area of  $30.18 \text{ km}^2$  with the beautiful geographical landscape .Agriculture is the primary sector of the economy in these villages .Maize and cassava is the main agricultural crop .Agricultural expansion is a major driver of deforestation and illegal land clearing .

*Site 4 :Huai Rabam Forest Plantation :*This site is geotagged with Projection – UTM, Zone 47 N and Datum WGS 1984 -northing from 1,709,882 to 1,715,790 and easting from 540,468 to 546,788 covering the area of 13.81 km<sup>2</sup>, in the area of Huai Rabam Forest Plantation )managed by the Forest Industry Organization(, Ang Huai Dong Village, and Pong Makha Village .The plantations in Huai Rabam are primarily teak and eucalyptus .In the villages, agriculture is the primary activity .Maize and cassava is the main agricultural crop .

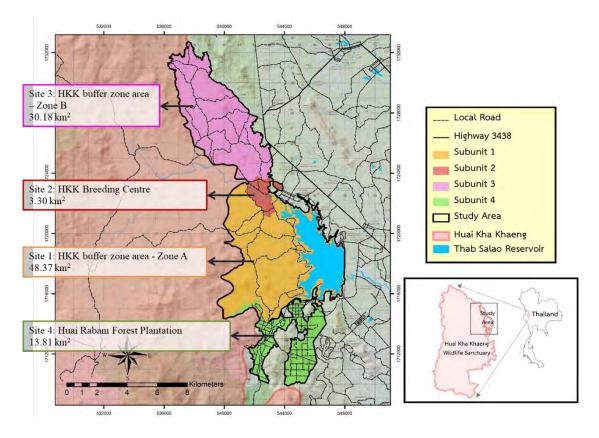


Figure 2 :Subunit 1, 2, 3, and 4 in study area of Thab Salao Wildlife –based Ecotourism Project

### **Study Framework:**

This study comprised of three main parts .These include (1site potential analysis, (2visitor analysis, and (3local community survey.

1. Site Potential Analysis

The primary objective of this part was to assess the potential of tourism resources in the study area for wildlife-based ecotourism development .A set of indicators for assessing wildlife-based ecotourism potential has been developed along the lines of wildlife tourism management concept )Higginbottom, 2004(, the global sustainable tourism criteria )World Tourism Organization :UNWTO, 1997(, ecotourism standard criteria )Office of Tourism Department, 2015(, and the principle sustainable use of biodiversity )Convention of Biological Diversity :CBD, 2004 .(The 15 indicators have been developed based on the core indicators of sustainable tourism development covering three aspects including 1 (potential and value of destination, 2 (tourism development potential, and 3 (tourism management potential .A set of indicators assessing the touristic potential of wildlife-based eco-tourism and the methodology

for evaluating the tourism potentials with regard to the set of indicators was conducted through various approaches as presented in Table 1 .On site survey and data collection were conducted during December 2016 – April 2017

**Table 3 :** Research methodology with regard to the set of indicators assessing the touristic potential for wildlife-based ecotourism

Indicators	Methodology
Potential and Value of destination	
	<ul> <li>Conducting wildlife observing on designated route to determine the opportunity to see attractive species )e.g. popular and iconic species, flagship species, rare species, indigenous species, and charismatic species ( and identify where tourists can have direct experiences about wildlife in natural habitat. The observations will be conducted in both rainy and dry season.</li> <li>Conducting interview with park rangers and local residents</li> <li>Reviewing existing data to evaluate the abundance and distribution of wildlife in the area</li> </ul>
uniqueness of resource-based	- Conducting on-site survey
3. Ecological uniqueness of resource-based	- Conducting on-site survey
4. beautiful landscape and scenery	- Conducting on-site survey
5. richness of natural resources- based	- Conducting on-site survey
6. The importance/value of destination to local people	<ul><li>Conducting on-site survey</li><li>Conducting interview with local residents</li></ul>
7. Education opportunity /nature interpretation	- Conducting on-site survey
8. Site resistance	<ul> <li>Conducting on-site survey</li> <li>Reviewing of the relevant literature and surveying wildlife experts' opinions on the potential impacts to wildlife and the ecosystem of the protected areas</li> </ul>
9. The risk of environmental degradation from human activity	e ș
Tourism development potential	
1. Recreation Potential – diversity of recreation /tourism activities	- Conducting on-site survey

Indicators	Methodology
	- Conducting interview with park rangers and local residents
2. Accessibility of destination	- Conducting on-site survey
3. Safety	- Conducting on-site survey
4. Tourism development opportunities from external factors	e :
Tourism Management Potential	
<ol> <li>Tourism services and infrastructure</li> <li>Readiness of human resources</li> </ol>	<ul> <li>Conducting on-site survey</li> <li>Conducting interview with park rangers and local residents</li> </ul>

Derived from :UNWTO )1997(; Office of Tourism Department )2014(; CBD )2004(; Higginbottom) 2004(

2 . Local Community Survey

The primary objective of this part was to assess community's perception on developing a wildlife-based ecotourism project in study area and evaluate the readiness of local villages for participating in tourism development in study area. In total, 259 households were collected from six targeted villages located in buffer zone area, during December 2016 to March 2017. Each household was considered a sampling unit, and interviews were restricted to 1 respondent per household. Households were selected randomly .Aside from questionnaire survey, focus group discussion with community leaders was conducted to further investigate the readiness of communities and participatory involvement for wildlife tourism development.

3. Visitor Analysis

The objectives of this part were to understand visitor perspectives on wildlife-based ecotourism and identify market segmentation .The 400 questionnaires were collected from Khao Yai National Park and Kui Buri National Park, during January – March, 2017 .Visitors participating in wildlife tourism were randomly selected.

#### **Results and Discussion:**

#### 1. Site Potential Analysis for Wildlife tourism development

Subunit 1 :HKK buffer zone area -Zone A: The Thap Salao Reservoir is the highlight of this site with the beautiful landscape .This reservoir, owned and managed by Thap Salao Transmission and Maintenance Project, is mainly used for irrigation, fishing, and also recreation .The Thap Salao Transmission and Maintenance Office has provided recreational facilities and landscape development to support tourism activities .This site has potential for wildlife observation, especially the seasonal grassland by a reservoir .Additionally, when considering with the readiness of the community, this site could be developed as service zone supporting tourist facilities and services .

**Subunit 2 :HKK Breeding Center :**This area is located in the area of HKK buffer zone connected to the Thap Salao Reservoir .This center was purpose built for breeding the regions threatened wildlife and has become a base for the wildlife conservation and research center . This site could be developed as educational zone for wildlife tourism .The interpretation program will focus on wildlife propagation, introduction program, and breeding program of rare or threated species .

**Subunit 3 :HKK buffer zone area – Zone B :**This site is located on the north part of the study area which encompasses two targeted villages including Khao Khiao Village and Phai Ngam Village, covering the area of 3.30 km2 with the beautiful geographical landscape . Agriculture is the primary sector of the economy in these villages .Maize and cassava is the main agricultural crop .Agricultural expansion is a major driver of deforestation and illegal land clearing .This site has potential for habitat modification for wildlife tourism )semi-captive setting (by deciding the landscape and also supporting as soft-released area for wildlife introduction program .Additionally, the design of the villages )Khao Khiao Village and Phai Ngam Village (would preserve the rural and the forest, by preserving unique environmental features, surrounding the village with natural open space and clustering residential development .Open space would be dedicated in perpetuity for existing forest cover, wildlife, and other environmental assets .The agricultural pattern in this area should be organic agroforestry or forest farming .

*Subunit 4 :Huai Rabam Forest Plantation :* This site is located in the area of Huai Rabam Forest Plantation )managed by the Forest Industry Organization(, Ang Huai Dong Village, and Pong Makha Village, covering the area of 13.80 km2 .The plantations in Huai Rabam are primarily teak and eucalyptus .In the villages, agriculture is the primary activity .Maize and cassava is the main agricultural crop .This site could be developed as sustainable used zone supporting for non-timber forest products for local communities -under harvesting permits and area-restricted harvesting .For Huai Rabam Plantation, this site could offer developed dispersed camping area along the area surrounding the reservoir.

Considering the set of indicators and standards for wildlife tourism potential, the results indicated that, overall, the study area has moderate potential for wildlife tourism development with the average score 2.72 )Table 2 .(

Indicators	Subun 1	it Subunit 2	Subunit 3	Subunit 4	Study Area (Overall)
Potential and value of destination	2.8	3.4	2.4	2.6	2.8
1) The abundance of wildlife sight	nting 1.8	4.2	1.2	1.4	2.2
)opportunity for wildlife sighting(					

Table 2: The result of touristic potential of the Tap Salao Wildlife-based Eco-tourism Project

Inc	licators	Subunit 1	Subunit 2	Subunit 3	Subunit 4	Study Area
2)	Identity and physical uniqueness of resource- based	2.8	3.6	1.8	2.2	(Overall) 2.6
3)	Ecological uniqueness of resource-based	2.6	3.4	1.8	2.2	2.5
4)	beautiful landscape and scenery	4.4	3.2	3.2	3.8	3.7
5)	richness of natural resources-based	3.6	3.4	1.8	2.6	2.9
6)	The importance/value of destination to local people	3.0	2.8	4.6	3.8	3.6
7)	Education opportunity /nature interpretation	2.6	3.2	2.4	2.8	2.8
8)	Site resistance	2.6	4.6	2.4	2.0	2.9
9)	The risk of environmental degradation from human activity	2.4	2.0	3.4	3.0	2.7
То	urism development potential	3.3	3.3	2.3	2.5	2.9
1)	Recreation Potential – diversity of recreation /tourism activities		2.6	3.2	3.0	3.0
2)	Accessibility of destination	3.4	3.8	2.8	2.0	3.0
3)	Safety	3.4	3.6	3.2	3.4	3.4
4)	Tourism development opportunities from external factors	3.4	3.4	1.6	1.6	2.5
To	urism management Potential	2.0	2.6	1.0	1.4	1.8
1)	Tourism services and infrastructure	2.0	2.6	0.8	1.6	1.8
2)	Human resources	2.0	2.6	1.2	1.2	1.8
Wi	ldlife Tourism Potential Level	2.9 moderat e	3.3 High		2.4 moderat e	2.7 moderate

**Remark :** potential score 1.01.9- =low-level of wildlife development potential

22.9-0. =moderate-level of wildlife development potential

33.9-0. =high-level of wildlife development potential

4.0-5.0 =very-high level of wildlife development potential

In the part of potential and value of destination, the study area was ranked in moderate level for wildlife tourism development with the average score 2.8. The panoramic beautiful landscape of the reservoir surrounded by vast mountain forest is the major attraction of this site. Moreover, this site also delivers valuable ecosystem services to local people and surrounded area. However, due to the presence of charismatic species in the area, this site has low potential for wildlife sightings.

For tourism management potential, this area has moderate potential for wildlife tourism development with the average score 2.9. Considering each indicator, the study showed that this area has high potential for the diversity of recreation /tourism activities, accessibility of destination, and safety.

For tourism management potential, this area was ranked in low level for wildlife tourism development for both tourism services and infrastructure and human resources with the average score 1.8.

#### 2. Local Community Survey

In total, 259 households were collected from six targeted villages .Quantitative analysis of the survey sampled presented that majority of the respondents was females )67.95 (% and had graduated from primary school )59.85 .(% Most of them were not local congenital, moved from other locations )81.85 .(% The majority of respondents have moved to the villages for reasons that they need the land for agricultural parcels .Mean ) $\pm$  SE (family size was 3.52  $\pm$  0.147 persons per household .In total, 2.97 % of respondents said they owned farmland, while 97.03 % did not own any .The majority of the respondents )56.37 (% practiced agriculture for income generation.

The survey found that there was no special preparation for tourism development in targeted area .For tourism development in the future, the majority of respondents will generally accept tourism development activities .In this regard, it is generally accepted that the development of tourism creates employment and business opportunities for both the local community and other tourism investors .Additionally, they are willing to participate in tourism development .In this manner, involving the local communities in tourism development within and around protected areas is crucial in bridging the gap between governance and use of the resources in a tourist destination .

The study indicated that the people has concerned about the impacts of tourism on the environment .If care is not taken, the tourism development itself could gradually degrade the environmental resources on which it depends .Additionally, they mentioned about unfairbenefit distribution .The results found that the local people expressed favorable attitudes toward wildlife conservation and world heritage site and also supported wildlife conservation.

According to the focus group discussion with community leaders, we concluded that local people did not much ready to support wildlife-based eco-tourism development. However, local people would like to see the destination opened to tourists and benefits shared. In this manner, the locals have expected the government for providing technical support and guidance for tourism the development, especially government spending on infrastructural and human development to support tourism.

Value chain analysis of wildlife-based ecotourism presented that the benefit from tourism in study area was very low .This was because the tourism activity expanded only in Huai Kha Khang Wildlife Sanctuary .The benefit of tourism distributed to local communities only across supporting agricultural supplies for food and beverage to Huai Kha Khang Wildlife Sanctuary . The purchase of agricultural supplies by Huai Kha Khang Wildlife Sanctuary was a key mechanism of value chain which tourism can impact on the livelihoods of large numbers of local people )Figure 3.(

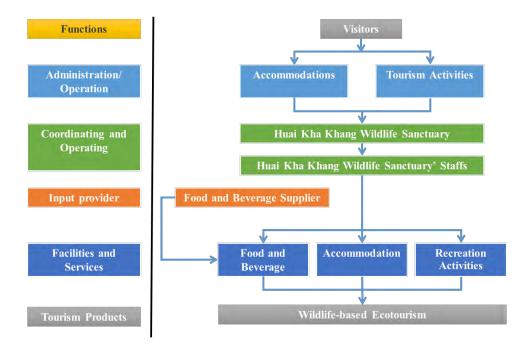


Figure 3 :Wildlife-based Ecotourism Value Chain Analysis -Tap Salao Wildlife-based Ecotourism Project

## 3. Visitor Analysis

Based on the 400 questionnaires, the results presented that, according to the spectrum of visitors' dedication to wildlife, the sampled visitors could be classified into 4 main groups, as flowing:

- 1) Group1 :no interest in seeing wildlife visitors who did not have interest in seeing wildlife and visited the destination for other reasons )19.50 (%
- Group 2 :passing interest in seeing wildlife visitors who were primarily only in charismatic species, did not prepare specific equipment for wildlife tourism, e.g. binocular )37.25(%)
- Group 3 :casual interest in seeing wildlife seeing wildlife is a secondary motivation to visit the destination but nevertheless visitors exhibited a keen interest in seeing wildlife )40.00(%
- Group 4 :serious/dedicated interest in wildlife seeing wildlife was main motivation )3.25 (%)

The specific characteristics of each group were explained in Table 3.

**Table 3:** The major characteristics of each group of wildlife tourist

Characteristics	Group1 :	Group 2 :	Group 3 :	Group 4 :
	no interest in seeing wildlife	passing interest in seeing wildlife	casual interest in seeing wildlife	serious interest in wildlife
<b>Background inform</b>			1	
Gender	Male	Male	Male	Female
Age	21-40 years old	21-40 years old	21-40 years old	21-50 years old
Education level	Bachelor or	Bachelor or	Bachelor or	Master/Doctoral
	equivalent	equivalent	equivalent	
Income	10,001-20,000	10,001-20,000	10,001-20,000	10,001-20,000
	Baht/month	Baht/month	Baht/month	Baht/month
Travel characteristi			Γ	
Overnight stay	1 night	1 night	1 night	2-3 nights
Types of information		Website and social	Website and social	Website and social
sources	media	media	media	media
Group size	2-5 persons/group	2-5 persons/group	2-5 persons/group	11-20
				persons/group
Mode of	Personal car	Personal car	Personal car	Personal car
transportation				
				Bus/Van
Travel cost/trip	<2,000 Baht	<2,000 Baht	<2,000 Baht	<2,000 Baht
Primary objective	- Enjoy the beautiful	- Enjoy the	- Enjoy the	- Enjoy the beautiful
for travel	scenery	beautiful scenery	beautiful scenery	scenery
	- Photography	- Photography	- Photography	- Nature education
	- Camping	- Camping	- Camping	- Wildlife watching
	xperience and Related		Γ	
Wildlife tourism	don't have	don't have	don't have	More than 5 years
experience	experience	experience	experience	
Preparing the	NO	NO	NO	Yes
specific equipment				
for wildlife tourism	<u> </u>	<u>a</u>	<b>D</b> 1	1
	Sometimes	Sometimes	Frequently	Always
proper planning and				
preparation			Often	Almost Always
Membership of	NO	NO	NO	Yes
environmental				
organization				
level of interest in	Moderate	Fairly high	Fairly high	High
wildlife tourism	<b>a</b> : :::::a :	<b>a</b> : ::::::::::::::::::::::::::::::::::		
Desirable features	Seeing wildlife in	Seeing wildlife in	Seeing wildlife in	Seeing rare and
in a wildlife tourist	their natural	their natural	their natural	unique wildlife
experience	environment	environment	environment	TT' 1
Knowledge about	Fairly high	Fairly high	Fairly high	High
tourism impact to				
wildlife	1 000 50	1.077.02	2 097 21	1 002 47
Willingness to pay		1,977.23	2,087.21	1,992.47
for wildlife tourism				
)Baht/ person/1				
time(				

## **Conclusion:**

This study comprised of three main parts .These include 1 (site potential analysis, 2 (visitor analysis, and 3 (local community survey .Based on the results of these three parts, the wildlife-based ecotourism scenario has designed based on the IUCN Protected Area Category VI : Protected area with sustainable use of natural resources which sets the primary objective to

protect natural ecosystems and use natural resources sustainably, when conservation and sustainable use can be mutually beneficial )International Union for Conservation of Nature : IUCN, 2008 .(The further goal of this scenario might be to maximize the benefits of wildlife tourism to wildlife and the natural environment, visitors, host communities, and tourism-related businesses .The goal of this scenario is to develop the wildlife tourism destination in international level .Under this management alternative, emphasis is placed on developing upscale of wildlife tourism.

# Site 1 :HKK Buffer Zone and Thab Salao Reservoir :Wildlife Tourism and Nature Appreciation

- Develop wildlife tourism activities in the level of wildlife-dependent activities )tourists deliberate intention to view wildlife, especially rare or iconic species (encourage tourists experiencing wildlife in natural environment
- Develop wildlife watching route and manage locational attractions featuring a natural aggregation of wildlife

## Site 2: HKK Wildlife Breeding Center : Wildlife Education Center

- Develop creative-wildlife tourism to encourage visitors to participate in wildlife conservation and management activities :i.e. .combine volunteering with wildlife tourism to promote conservation learning among visitors

## Site 3 :Thung Faek Area :Wildlife Eco-Luxury Destination

- Develop facilities and services for wildlife tourism, i.e. landscape improvement, green facility development, educational program, wildlife watching blind to provide great experience about wildlife tourism

## Site 4 :Ban Khao Khiao and Ban Phai Ngam :Community and Ecotourism

- Promote ecotourism and organic agro-tourism activities and create special interest tourism activities, such as wildlife watching, village tour, hiking, and do-it-yourself sessions interactive )craft workshops (by using natural resource attractions in communities to promote the experience of appreciation of nature and local cultures

## Site 5 :Huai Rabam Forest Plantation :Sport Activities and Adventure Tourism

- Promote recreational sport activities, such as mountain biking and trail running, for adventure tourist – encourage visitors to engage in adventure and personal challenge experience in natural setting

This proposed scenario might be the most effective management strategy to support the sustainable management of HKK World Heritage Site with the expectation that wildlife tourism can provide sustainable economic benefits and greater awareness through tourism to support conservation, and to demonstrate the value of conservation to local communities, to government, and to the wider public. However, there are several challenges for tourism management for this scenario, including collaborative management among various stakeholders, the readiness of human resources working for wildlife tourism management, tourism marketing for niche market, tourism impacts, and benefit sharing.

According to the results of this study, there are proposed guidelines for wildlife tourism development .Firstly, law enforcement action to control illegal encroachment of forest land and other illegal activities in buffer zone area need urgent attention from government agencies, especially, free-range livestock, gathering forest products, and chemical contaminants of agricultural activities. Secondly, it should be start at small-scale of tourism development, based on the site potential and management potential .Additionally, the representatives of local community organizations should be encouraged to take a more pro-active role in tourism development. Thirdly, government agencies and other stakeholders should work together to strategically develop mechanism for enhancing links between wildlife tourism and conservation. The possibility of initiating a national strategy should be investigated. Fourthly, cooperation between stakeholders should be promoted and encouraged .Forums of negotiation and information exchange should be organized and not be hampered by jurisdictional misunderstandings .General acceptance among many stakeholders is needed. Initially, more support should be provided to managers of wildlife attractions by the government agencies responsible for employing and training local staff and also supporting mechanisms for achieving wildlife tourism development. Finally, a careful wildlife tourism plan and development program is needed to provide guideline and appropriate time frame for tourism development in each site.

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# HALAL CULINARY AND TOURISM MARKETING STRATEGIES ON GOVERNMENT WEBSITES: A PRELIMINARY ANALYSIS

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## Abstract

In the present study, the use of the internet to promote Halal cuisines and culinary tourism is compared and contrasted through content analysis method of investigation of the national tourism bureaus of China, South Korea, Japan and Thailand on their official websites. It was found that Japan, South Korea and Thailand attempted to strategize their country's potential as a preferred Halal tourism destination for Muslim tourists by introducing and promoting Halal cuisines, Halal food culture, Halal food restaurants and general Halal services of interest for Muslims. However, the same was not observed in the case of China, which dealt with the issue of religion as an ethnic issue in its culinary tourism strategies.

The findings furnished by the present study accommodate both the perspectives of the industry and the research by providing a framework for essential website dimensions for the promotion of Halal culinary tourism and additional Halal services. Moreover, it is also reiterated that comprehensive knowledge regarding Halal tourism and the hospitality and tourism service requirements of Muslim tourists should be integrated with the local culinary culture and disseminated in the form of periodical seminars, workshops, and training to industry and make professional talents appreciative of Muslim tourists' needs

Keywords: Halal culinary; Halal tourism; Muslim tourists; culinary tourism; web site marketing.

# EMPLOYEE ENGAGEMENT IN BOUTIQUE HOTEL BRAND VALUE CO-CREATION: AN EMPIRICAL STUDY IN VIETNAM

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## Abstract

While employee engagement is known as an important driver of business performance, very few studies identify context-specific manifestations of employee engagement in boutique hotel industry. Drawing on the service-dominant logic and dual process theory, this study investigates both experiential and rational factors driving employee engagement in service brand value co-creation. Data collected from 570 employees working in boutique hotels showed that internal brand training, external brand communication on social media, and transformational leadership drive employee perceived service climate which, in turn, triggers employee engagement in brand value co-creation. Further, the relationships are moderated by organizational tenure.

*Keywords: employee engagement, value co-creation, internal branding, social media communication, service climate, transformational leadership* 

## **Introduction & Literature Review**

Employee engagement refers to the persistence, involvement, and immersion of employees to their work roles (Kahn, 1990). Not only are engaged employees physically involved in their tasks, they are also cognitively alert and attentive, and are emotionally attached to the workplaces (Lee & Ok, 2016). Engaged employees are characterized by vigor (i.e, employee's feelings of physical energy for and their willingness to taking challenges in job tasks), dedication (i.e., sense of enthusiasm, pride when doing the assigned tasks in the workplace), and absorption (i.e., state of concentrations in the assigned tasks) (Schaufeli et al., 2002). Despite the significant advances in employee engagement literature (Conway, Fu, Monks, Alfes, & Bailey, 2015; Kang, Manthiou, Sumarjan, & Tang, 2017; Macey & Schneider, 2008), little is known about roles or tasks that employees need to engage in the workplace. This leads to a notion of 'one side fit all' for the term 'employee engagement' which, in turn, limits specific and strategic recommendations for business practitioners to foster employee engagement and strengthen organizational performance. Thus, to comprehensively understand

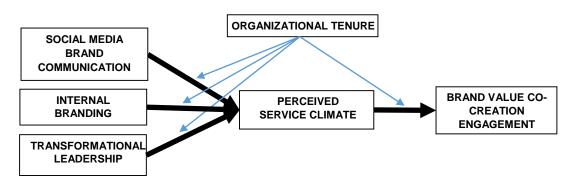
employee engagement, we examine the specific focal tasks of engagement in workplaces, particularly in terms of brand building, within the boutique hotel setting.

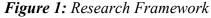
A strong brand is at the core of the organization, particularly for service sectors where customers perceive the brand values mostly through employee performances at service encounters (De Chernatony & Drury, 2006). A strong service brand is heavily built on its employees' attitudes and behaviors (Kimpakorn & Tocquer, 2010; Schlager, Bodderas, Maas, & Cachelin, 2011), as the way customers experiencing service brand relies on the interaction with employees during service encounters. Hence, employees play a crucial role in fostering a successful brand, as they are enablers of its unique value propositions to customers (King, So, & Grace, 2013). However, building a strong brand is more challenging for boutique hotel businesses in comparison to their larger and high-profile counterparts who might command better brand visibility, well-established training and brand monitoring systems (Gudergan, Beatson, & Lings, 2008). To enable employees of boutique hotels to work as brand representatives effectively, we argue boutique hotels need to engage employees in co-creating the brand value with the organizations. This is consistent with the service-dominant logic (Vargo & Lusch, 2004) suggesting that value is co-created among the configurations of the involved actors. In order to enhance the value of the brand during the delivery process, the beneficiary must play a pro-active role in an interactive and co-creation process with the focal object in order to build values (Conduit & Chen, 2017; Storbacka, Brodie, Böhmann, Maglio, & Nenonen, 2016). Drawing from this perspective, we argue employees should be the beneficiary (as internal customers) and play an active role in co-creating values of the service brand. Since they interact directly with the external customers, they know how the brand values should be delivered in the marketplace and, as a consequence, have the capacity to engage in the brand value creation. Therefore, service employees at boutique hotels are no longer expected to deliver the normal job routines for brand value delivery. Instead, they should actively learn and collaborate with their employers in each service phase to co-create or customize the brand value propositions in order to meet and exceed their customer expectations (Solomon, 2009).

To drive employee engagement in brand value co-creation, we argue that two processes are involved at both experiential and rational levels (Epstein, Lipson, Holstein, & Huh, 1992). Experiential processing is based on the analysis of emotion, feelings as information, whereas rational processing relies on logic- and evidence-based information (Skarlicki & Rupp, 2010). In this study, the experiential processing is linked to the perceived service climates, transformational leadership, and organisational tenure, while rational processing is linked to internal branding, social media brand communication. The two processes guide employee decision making in brand value co-creation engagement.

Through internal branding, external social media brand communication, and transformational leadership, employees have a strong perception of the service climate in their boutique hotels. Service climate is linked to employee perception about organizational practice in delivering excellent service quality (Hoang et al., 2017; Voon, Hamali, & Tangkau, 2009). In this study, we argue that the more consistent the internal brand value is practiced, in the alignment to its external brand communication, transformational leadership, the stronger the perception of the service climate. When organizations are bound to create and maintain a consistent climate for excellent services, employees feel motivated to deliver excellent service to customers (Chathoth, Mak, Jauhari, & Manaktola, 2007; Hoang et al., 2017), and thus, strengthen their engagement in co-creating brand values.

Further, we propose employees' organizational tenure plays an important moderating role. Work experience with the hotels allow employee to gain knowledge about the hotels including their branding campaign, relationship with colleagues, leaderships would help them to foster the initiatives to engage in brand value co-creation activities. The theoretical framework is outlined in figure 1.





#### Sample & Data Analysis

The research design for this study involves a cross sessional survey with SMEs service employees in hotel industry, we collected data from 570 employees working in small and medium boutique hotels in Vietnam. The theoretical model of is empirically tested using the structural equation modeling approach by AMOS. Multiple group comparison is also conducted to identify the difference between senior and junior employees. All measures are adapted from the existing studies (Buil, Martínez, & Matute, 2016; Hsieh & Chang, 2016; Schivinski & Dabrowski, 2016; Schneider, White, & Paul, 1998).

#### Results

The Cronbach alpha of all measures ranged from 0.8 to 0.95. Further, reliability, convergent validity and discriminant validity area also achieved. The measurement model suggests a reasonable fit between the data and the model (CMIM/df = 2.66, CFI = .94, TLI = .93, AGFI = .87, RMSEA = .54, PCLOSE=.59, SRMR = .069). Table 1 provides the descriptive statistics, composite reliability, average variance extracted, and the correlations of the key constructs.

					Correlation				
	Mean	SD	CR	AVE	BBC E	SMC	IBT	TL	
1. BBCE	5.18	.90	.93	.82					
2. SMC	5.54	1.11	.88	.65	.44				
3. IBT	4.91	.79	.83	.49	.48	.47			
4. TL	5.67	.84	.83	.50	.29	.30	.46		
5. SC	5.44	.85	.86	.55	.33	.48	.43	.48	

Table 1 Descriptive statistics, correlation matrix, and reliability

Note: Brand Value Co-creation Engagement (BBCE), Social Media Communication (SMC), Internal Brand Training (IBT), Transformational Leadership (TL), Service Climate (SC)

\*\* p < .01; \* < .05; SD = Standard deviation; CR = Composite reliability; AVE = average variance extracted.

Consistent with the proposed hypotheses, internal brand training, transformational leadership, social media brand communication were positively related to employee perceived service climate which, in turn, fostered employee engagement in brand value co-creation (see Table 2).

Re	lationships	β	S.E	C.R.	р
SMC ⇒	SC	.31	.041	7.71	***
IBT ⇒	SC	.16	.066	2.44	**
TL ⇒	SC	.38	.054	7.00	***
SC ⇒	BBCE	.55	.048	11.4	***

 Table 2 Relationship statistics

Note: Brand Value Co-creation Engagement (BBCE), Social Media Communication (SMC), Internal Brand Training (IBT), Transformational Leadership (TL), Service Climate (SC)

 $\beta$  = Estimate effect, SD = Standard error ; CR = Critical Ratio, \*\*\* p<0.01, \*\* p < .05; \* < .1

To examine the moderating effects, multiple group analysis was undertaken using AMOS to conduct a chi-squire difference test. The results confirmed the moderating effects of organizational tenure on the proposed relationship except the impact of transformational leadership on service climate. Table 3 shows the results for a two-group comparison based on different levels of organizational tenure.

Table 3 Moderating test	(organizational tenure)
-------------------------	-------------------------

Relationship	Low organizational tenure (n=314)		High organizational tenure (n=247)			t-value differences between	
	B		В	t-value	parameters	parameters	
$SMC \Rightarrow SC$	.44	6.92***	.20	4.15***	.24	2.10***	
IBT ⇒ SC	.02	.171 (N/S)	.30	3.09**	.28	2.91***	
$TL \Rightarrow SC$	.42	6.28***	.29	3.18***	.13	N/S	
SC ⇒ BBCE	.45	7.90***	.72	7.60***	.27	2.61***	

**Notes**: \*\*\* p-value < 0.01; \*\* p-value < 0.05; \* p-value < 0.10, N/S: Not significant

#### **Theoretical & managerial contributions**

The findings indicate that internal branding, transformational leadership, and brand communication on social media enable boutique hotel employees to shape their perception toward hotel service climates which, in turn, foster their engagement in brand value cocreation. Further, the relationships are moderated by employee tenure with the boutique hotels. The positive effect of social media brand communication on perceived service climate and employee engagement is stronger for junior employees, while the positive effect of internal branding is stronger for senior employees.

This paper enriches our existing knowledge in the area of employee engagement. Further, the results showed that employee engagement in brand value co-creation is explained by a dual process model including the interplays between experiential factors of internal brand training, transformational leadership and rational factors of social media brand communication, and service climate to customers. In addition, our findings confirmed that junior employees are more inclined absorb rational factors, whereas senior employees are more affected by experiential factors.

In terms of management implications, the findings suggest managers of boutique hotels should undertake broad and integrative branding activities across different functions such as external marketing on social media, management, and human resources training in order to foster employee engagement in co-creating the hotel brand value.

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# EXPLORING QUALITY OF WORK LIFE AND LIFE SATISFACTION OF TOUR GUIDES: AN EMOTIONAL LABOR PERSPECTIVE

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## Abstract

Professions in the service industries are featured by high interpersonal interactions that can be often stressful (Heuven & Bakker, 2003). Specifically, tourism services are widely accepted as extremely labor intensive (Deery, & Jago, 2009) where the human factor is in the core of in the exchange process. Therefore, employees are highly susceptible to emotional dissonance as a result of the high-stress work environment that usually involves long working hours, fluctuating work schedules, heavy workloads, and demanding customers (Zhao, Qu, & Ghiselli, 2011). Displaying positive emotions is crucial in the service industry in general and in tourism and hospitality in particular. However, regulating ones' emotions can create a physiological strain and thus influence the quality of life and well-being of employees.

While research addressing quality of life and well-being in tourism has traditionally focused on residents of host communities and tourists (Peters, Kallmuenzer, & Buhalis, 2018), empirical research exploring quality of life and well-being of employees in tourism is still scarce (Uysal, Sirgy, Woo, & Kim, 2016). The current study is therefore an attempt to fill this lacuna by investigating the quality of work life and life satisfaction of tour guides from an emotional labor perspective. The need for the current investigation is accentuated by the distinct characteristics of tour guides who play a central yet difficult role in creating tourist experiences and therefore might be particularly exposed to higher levels of emotional dissonance.

A substantial body of literature evolved to explore various aspect of the emotional labor. Specifically, emotional dissonance has been widely investigated in the service industry including tourism and hospitality. Several empirical studies have measured emotional dissonance of various tourism and hospitality employees including flight attendants (Heuven & Bakker, 2003), hotel employees (Karatepe & Aleshinloye, 2009; Hofmann & Stokburger-Sauer, 2017; Chen, Sun, Lam, Hu, Huo, & Zhong, 2012), and food and beverage businesses (Hunter & Penney 2014). Tour guides have a central role in creating favorable vacation experiences (Cetin & Yarcan, 2017). At the same time, the nature of tour guidance involves

long and close interactions with tourists which eventually may create extra emotional work on tour guides.

To collect the data for the present study, a list of all licensed tour guides in Jordan was acquired from the Jordan Tour Guides Association (JTGA). The list contained the names and contacts of 1105 licensed tour guides working across Jordan. The questionnaire was emailed to all tour guides along with a cover letter explaining the objectives of the research. The survey contained two sections. The first section collected socio-demographic data while the second section measured the constructs employed in the study using multiple-item scales adopted from previous research. By the cut-off date for data collection, a total of 202 useable questionnaires were received achieving a response rate of 22.7 % (based on the number of questionnaires presumably delivered).

The emotional dissonance was operationalized using 11 items drawn from Chu and Murrmann's (2006) Hospitality Emotional Labor Scale (HELS). Answers were given on a 5-point Likert-type scale, with the end poles labeled as "never" and "always". Thus, higher scores indicated greater level of emotional dissonance. The quality of work life was operationalized using 16 items from Sirgy, Efraty, Siegel, and Lee (2001). The construct was measured on 5-point Likert-type scale, anchored from strongly disagree (1) to strongly agree (5). Fifteen items were drawn from Sirgy et al. (2001) to measure life satisfaction. Answers were given on a 5-point Likert-type scale, with the end poles labeled as very dissatisfied and very satisfied.

Unexpectedly, the findings demonstrated that emotional dissonance had no influence on tour guides' quality of work life and life satisfaction. However, life satisfaction of tour guides was found positively related to their quality of work. The current study contributes to the existing literature on emotional labor as well as the growing body of knowledge on quality of life of tourism employees.

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## THE CAPITAL INVESTMENT BEHAVIOR OF CATERING AROUND SEO

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## Abstract

This study examines the issuance of seasoned equity offerings (SEOs), whether the company in order to meet stock investors to make the company abnormal investment behavior. Data of this study is a sample of the U.S. listed companies with the issuance of SEOs from 1999 to 2012 and financial statements from 1995 to 2015. The research method of this study is mainly based on the estimation method of abnormal investment by FU (2010), to find out whether the issuance of SEOs to match the company in order to measure investment activities and abnormal investment. Empirical evidence for SEOs shows that the pre-issue investment is significantly lower than the post-issue investment, indicating that the issuance of SEOs has a positive economic impact on the investment. Our results imply that companies have overinvestment behavior after SEOs in order to cater stock investors. Abnormal investment situation is not significant when the issuance of SEOs at the same time.

Keywords: Cater theory, Abnormal investment, Seasoned equity offerings (SEOs)

## 1. Introduction

Extant literature of the catering theory proposes different theories for how firms cater to investors. Companies need more money to expand the size of the company. External financing sources of funding target are the company's stockholders. Therefore, the company's managers may cater the expectations of the stockholders. Polk and Sapienza (2009) show that firms cater to investor preferences for the level of firm investment by altering their investment policy. Issuance of SEOs is accepted by investors. Because the two of the trading there is a wide range of trading market so the threshold of the transaction is low. The purpose of this paper, on the basis of external financing about debt and equity financing, is examining whether companies cater for investors' preference in the financing activities.

Fu (2010) find that subsequent to the offering companies used SEO's cash for investment. SEO firms tend to invest more heavily than no issuing firms that are in the same industry. Managers are could make use of capital markets to generate free cash flow and then squander it at the expense of shareholders. We can know that the company's cash flow increases while changing

investment decisions after SEOs. Because managers in order to cater the expectations of investors will be in the case of funds to increase investment, and make the company more profitable. At this point, the over-investment situation may occur. The purpose of this study is the company caters to common stock investors' abnormal investment behavior before and after SEOs.

The purpose of this paper is to discuss the relationship between the company's issuance of SEOs, both investment activities and abnormal investment. At the same time, we explore the agency problem of asset substitution between the stockholder. Jensen and Meckling (1976) proposes that corporate financing risky and liabilities will generate agency costs. Managers will tend to invest in the high-risk plan, as well as a wealth transfer to shareholders. Therefore, information asymmetry between managers and shareholders will cause an agency problem. From the above discussion, we can see the stockholders for the company's investment behavior will have different hope. Based on this, the main purpose of this study is to explore the following questions:

Explore whether the company caters to the abnormal investment behavior of common stock investors before and after the SEOs.

Explore whether the company caters to the abnormal investment behavior of investors when the company issued and SEOs at the same time.

The empirical results show that the company SEOs will have a positive abnormal investment. Our results imply that companies have overinvestment behavior after the SEOs in order to cater common stock investors. The results are in line with expectations.

## 2. Literature and Hypotheses development

Investment behavior of the company after financing may cater to stockholders or bondholders. The different revenue value of investors and knowledge managers at different times, there will be a change in the attitude of the manager respect to cater investors. Company's investment behavior will deviate from the normal investment if cater to shareholders or creditors. Finally, the company will have abnormal investment.

The company will produce cater in order to a variety of different purposes. Polk and Sapienza (2009) show that firms cater to investor preferences for the level of firm investment by altering their investment policy. Baker and Wurgler (2004) indicate that company distribution of cash dividend decision is due to investor demand that is the catering theory of the dividend of corporate. In addition to the cash dividend, Baker, Ruback and Wurgler (2006) proposes that cater theory will be used for earnings management. Rajgopal, Shivakumar and Simpson (2007) propose that earnings management is partially driven by the prevailing investor demand for earnings surprises. Kulchania (2012) referred that cater theory of alternative hypotheses between repurchases and dividends. Not only the dividend policy other activities of the company, such as cash capital increase and treasury shares also have a cater behavior.

Shareholders expect the company to increase cash flow will be paid more dividends after cash capital increase. We expect the company to cater to the shareholders and excessive investment.

In addition to debt financing, equity financing is also an important method of financing in the stock market. The company will increase free cash flow after the equity financing. Richardson (2006) referred that managers will produce the phenomenon of over-investment if the company has an excessive cash flow. Rozeff (1982) and Easterbrook (1984) propose that when there is excess cash in order to expand the company's size, managers may cause an increase in negative net present value of the investment plan rather than cash distribution to shareholders. Typically, the degree of external capital market restrictions, so that managers can pursue investment in self-interest. Managers will expand investment to increase of cash flow. In doing so, they cause an increase in investment distortions. Jensen and Meckling (1976) proposes that corporate financing risky and liabilities will generate agency costs. Managers will tend to invest in the high-risk plan, as well as a wealth transfer to shareholders. Jung, Kim, and Stulz (1996) suggest that increased free cash flow problems explain the negative stock price reaction to SEO announcements and find evidence in support of the overinvestment-driven agency problem argument. On the above, the hypothesis for the purpose two of this article is as follows:

H<sub>2-1</sub>: After SEOs, the company will generate positive abnormal investment.

 $H_{2-2}$ : Relative to the control group, SEOs will result in higher investment activities.  $H_{2-3}$ : Relative to SEOs before the SEOs will have a higher abnormal investment.

## **3. Research Methods**

We first use Fu (2010) to calculate the abnormal investment for the issuance of SEOs of the company. Next, we will test whether there is a question of collinearity between variables in the case of regression analysis. Use Variance inflation factor (VIF) to test, if VIF is greater than 3, there is a problem with collinearity.

This study explores the regression analysis of investment activities after the issuance of SEOs. Investment activity (IA) as dependent variables and set up model (1). In addition, regression analysis on the difference of abnormal investment before and after issuing SEOs. Abnormal investment (AI) as dependent variables and set up model (2).

IA i,t = 
$$\alpha 0$$
 +  $\beta 1$  SD1 +  $\beta 2$  FCFi,t-1 +  $\beta 3$  SIZEi,t-1 +  $\beta 4$  DRi,t-1 +  $\beta 5$  ROAi,t-1 +

$$\beta 6$$
 AGEi,t-1 +  $\beta 7$  DUALi,t +  $\epsilon t$  (1

AI i,t = 
$$\alpha 0$$
 +  $\beta 1$  SD2 +  $\beta 2$  FCFi,t-1 +  $\beta 3$  SIZEi,t-1 +  $\beta 4$  DRi,t-1 +  $\beta 5$  ROAi,t-1 +  $\beta 6$   
AGEi,t-1 +  $\beta 7$  DUALi,t +  $\epsilon t$  (2

)

SD1 is a SEOs dummy variable that SD1=1 if it is an event company and SD1=0 otherwise. The model (1) is estimated for  $+ 1 \sim + 3$  years. If the support H<sub>2-2</sub> is true,  $\beta_1$  is expected significantly negative. The SEOs will result in over-investment in order to cater to stock investors (Relative to the company that did not SEOs during the same period). SD2 is a dummy

variable, the company issued three years before the event is 0, otherwise three years later is 1. The model (2) is estimated for  $-3 \sim +3$  years. If the support H<sub>2-3</sub> is expected to be significantly positive for  $\beta_1$ , the SEOs will result in over-investment in order to cater to stock investors (after the SEOs relative to the previous the SEOs).

SEO and corporate debt samples are taken from Security Data Corporation's (SDC) Newissues Database. The financial statement data is from the Compustat Annual Database. Board data is from the BoardEX.

The research samples are common shares of listed companies from NYSE, AMEX and NASDAQ's. SEOs of listed company and the issuance of corporate bonds are from 1999 to 2012. We select the sample event of 2012 to observe the investment behavior of sample companies from 2013 to 2015 and financial statements from 1995 to 2015.

#### 4. Empirical Results

#### 4.1 Investment activities

Table 1 is the investment activities after the seasoned equity offerings (SEOs). The results show that the median of the investment activity (IA) was 0.114028 after the SEOs. The research will have companies that have SEOs (I/A<sub>i</sub>) and do not have SEOs (I/A<sub>m</sub>) of the investment activities of the differential test. The median and the mean of the investment activities in the SEOs (I/A<sub>i</sub>) were 0.11428 and

0.2352, which were significantly higher than the median and the mean 0.93861 and 0.1988 in the not issue corporate bonds ( $I/A_m$ ), and there was a significant difference between I/Ai and I/Am.

Т	Mean	Median	N		
1			11		
1	0.2636***	0.1204***	641		
2	0.2172***	0.1094***	570		
3	0.2184***	0.1084***	473		
					Mean
I/A <sub>m</sub>				Median	
I/Ai				(1, 3)	0.1988
Diff(I/A)	-0.0363***	-0.0201***		0.0939	
,	(-3.40)	(-3.1356)		(1, 3)	0.2352
0.1140	. ,	. ,		(1, 3)	0.2332

Table 1 Investment Activities after the Issuance of Corporate SEOs

\* Significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%.

## 4.2 Abnormal investment

Table 2 is the abnormal investment before and after SEOs. Abnormal investment is significantly positive after SEOs, indicating that it is over-investment after SEOs. This study will be an abnormal investment in the median difference test for the company before and after the SEOs, indicating that the median of the three years before the SEOs was significantly higher than the one after SEOs.

Т	Mean	Median	Ν
-3	0.0329	0.0097*	275
-2	0.0657	0.0179	330
-1	0.1055	0.0237	513
0	0.1518***	0.0366***	618
1	0.0526**	0.0082	644
2	0.0404**	0.0025	550
2	3 0.0641***	0.0108**	448
	Mean	Median	
Ab_I/A(-3,-1)	0.0759	0.01918	
Ab_I/A(1,3)	0.0517	0.00613	
Diff (Ab_I/A)	0.0242	0.01305**	
_	(1.23)	(2.2485)	

Table 2 A	hnormal	Investment	hefore	and after	the Ice	suance of	The	SEOs
I able 2 A	Unorman	Investment	Delote	and and	110 15	suance or	I IIC .	SEOS

\* Significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%.

Table 3 is the regression of abnormal investment differences before and after the SEOs. Empirical evidence for SEOs shows that the pre-issue abnormal investment is significantly lower than the post-issue abnormal investment, indicating that the issuance of SD2 has a positive economic impact on the abnormal investment. Fu (2010) finds that subsequent to the offering companies used SEO's cash for investment. SEO firms tend to invest more heavily than no issuing firms that are in the same industry. Literature, result and H<sub>2-3</sub> consistent. It can be seen that the company's SEOs will have to cater the investors and over-investment situation. In the control variable, show that with the increase in ROA and have DUAL company, its abnormal investment will be more. The results are in line with expectations.

Table 3 Regression of Abnormal Investment before and after the SEOs

		VIF	Variable
		Co	efficient
Intercept	0.17019* (1.66) 0.04477*	0	
SD2	(1.75) -0.00013015	1.07782	
FCF	(-1.37) -0.01544	1.03169	
SIZE	(-0.80) -0.00028230	1.28419	
DR	(-0.65) 0.00042211**	1.14830	

	(2.22)	
AGE	-0.11839	
	(-1.64)	
Dual	0.09094***	
	(3.57)	
F	3.73***	
Adj. R <sup>2</sup>	0.0127	
Ň	1485	
		1.07862

1.07862

1.17453

1.01831

\* Significant at 10%; \*\* significant at 5%; \*\*\* significant at 1%.

#### 5. Conclusion

This study investigats the effect on the company's investment behavior after the company issus corporate bonds and SEOs. We analyze the investment activities and abnormal investment for the US listed companies that issue corporate bonds and SEOs from 1999 to 2012. List of financial statements from 1995 to 2015. According to FU (2010)'s the investment method to carry out research and analysis. Jensen (1986) mentioned that managers can reduce excessive investment behavior when creditors exist. Companies still need to pay interest expenses after the debt financing. At this time, companies reduce the investment funds reserve the profit for the payment of interest. The results of this study show that the abnormal investment before and after the issuance of corporate bonds is significantly negative and have underinvestment behavior after SEOs in order to cater the common stock investors. Abnormal investment is not significant when the issuance of corporate bonds and SEOs at the same time. When the company issues corporate bonds and SEOs at the same time, two effects will be offset. It can be seen that the company will not cater the stockholders or bondholders.

The contribution of this study is as follows: First of all, this article has explored the association between complete corporate finance, corporate investment behavior and cater behavior. The second contribution in this study is that we consider the issuance of bonds and stocks at the same time to measure the relative intensity of the catering behavior for the two financing methods. Finally, the empirical results of this study provide an effective management policy for investors to participate in corporate finance decision-making, creditor agency issues, abnormal investment before and after financing and financing corporate governance.

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# WHAT DOES LITERATURE SAY ABOUT HOTEL B-2-B SALES: UGLY DUCKLING OR SWAN?

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And

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## Abstract

Digital disruption and structural sales and marketing transitions in both generic and hotel industries demand serious rethinking. Purpose & Method: A synthesis review of current academic scholarship focusing on *business-to-business* (B-2-B) *sales* is presented. Findings: Academic research is limited. However, there are glimpses of an evolving inter- and intraorganizational integrated approach to hotel B-2-B sales. The literature depicts hotel B-2-B sales as a partially formed *ugly duckling* - unaware of its evolving beauty as a *swan*. Contribution: Better understanding is provided given the absence of a coherent, well-formed theory of hotel B-2-B sales. Limitations: Only papers in English are reviewed.

Keywords: Hotel B-2-B sales; salesforce organization; top-line revenue; profitability; US.

#### Introduction

Confounding and unacceptable! It is unfortunate that the vagaries of the word, *selling*, sometimes connotes unpleasant, yet misplaced, and inaccurate past stereotypes. This perpetuates an image of a partially formed *ugly duckling* despite a command of business success: Procure top-line revenue. Without serious and comprehensive models, the profession of sales seems to remain an academic orphan. While *marketing*, especially consumer marketing, has accumulated a systematic body of knowledge, *sales*, specifically read *business-to-business* (B-2-B) *sales*, is in the forefront of industry produced studies while remaining either out-of-date, fragmented, or virtually ignored in the academic literature. Published academic research in the field of hotel B-2-B sales is glaringly limited and analogous to, "...small disconnected islets in a vast sea of ignorance" (Orwell, 1986, p. 209).

Examining the current body of academic research, as focused on both generic and hotel B-2-B sales, is the subject of this paper. Here, the authors do not explicate the practical industry studies regarding current B-2-B sales, yet they briefly refer, in *Interpreting the Evidence* section, to some potential gaps between academic research and current industry realities hinting that hotel B-2-B sales may be transforming into a swan. In full disclosure, the authors are not *tabula rasa* in their knowledge of current industry whitepapers, observed current practices, and their ongoing research. And they cannot escape this context (See Zimmerman, 2018). The authors believe in addressing *first-things-first:* Establish the state of academic literature and then, in future research, systematically address current industry realities.

To summarize, this paper provides a foundation for the state of B-2-B sales academic research. Its contribution, hopefully, will foundationally anchor, stimulate, and begin to close the gap between academic research and the realities of industry practice. In part, this study is in response to calls for needed hotel B-2-B sales research (Roberts and Shea, 2017; Rach, 2015). Consequently, the guiding research question is: "What is the current state of academic research focusing on hotel B-2-B sales in the US?" Answering this question is accomplished by a synthesis review of the literature. This review is considered timely given the changes in the hotel B-2-B sales field (Lee and Hiemstra, 2001; Wang, 2012; Wang and Bowie, 2009; Wang and Brennan, 2014).

In an age of digital disruption (Järvinen and Taiminen, 2016; Jones, 2004), the hotel industry finds itself in rapid transition (Lee and Hiemstra, 2001). The current situation forces top management to rethink organizational structure (Rapp, 2009); especially their go-to-market models (Lee and Hiemstra, 2001; Wang and Brennan, 2014). In the USA, hotel B-2-B sales, a significant go-to-market model and focused on group and meeting business, drives a large percentage of hotel top-line revenue (Noone and Hultberg, 2011). Inefficient and ineffectiveness in the B-2-B salesforce organization put top-line revenue and profitability under pressure. The approach to B-2-B sales has shifted towards collaborative/consultative - solutions-based selling and away from transactional or price-based selling (Lee and Hiemstra, 2001; Lee et al., 2005; Wang and Bowie, 2009; Wang and Brennan, 2014). Many top corporate hotel chains have adopted this selling approach. Yet, at the hotel property salesforce level, digital disruption and proliferation of multiple and dominant third-party intermediaries are potentially undermining the effectiveness of this collaborative approach. However, there are glimpses of a more strategic approach to B-2-B sales. Some hotels, especially dominant chains, appear to operate simultaneously in all three B-2-B sales domains:

(1) *Transactional* – where Internet-based digital demand generation mechanisms source prospective customer leads,

(2) *Consultative/Collaboration* - hotel property level – *Quasi-Traditional* salespeople who actively seek and close deals, and

(3) *Strategic/Alliance/Partnerships* - where key (major customers) account and account-based marketing/selling teams focus on major accounts (Ivens et al., 2009; McNeill, 2017).

While practitioner product/service marketing literature regarding generic industry sales innovations provides portents of future hotel salesforce changes, given the paucity of academic hotel B-2-B sales scholarship, one can legitimately ask the question as to whether B-2-B topline revenue acquired by a hotel personal salesforce is an ugly duckling or a swan.

#### Method

Science is a cooperative, interdependent undertaking. A necessary condition for systematic knowledge-building is to accumulate trustworthy research (Cooper, 2010). Therefore, scholars should pay attention to how they locate, evaluate, summarize and interpret previous research. Cumulative evidence on a subject can assist both scholars and practitioners to make evidence-based decisions, which will enhance their effectiveness (Cooper, 2010). Thus, the authors followed a synthesis review of the literature, based on the approach described by Kirkevold (1997). This review is broader than the description of Cooper (2010) as it synthesizes both empirical and theoretical studies. A synthesis review of the literature is a way of sound data

gathering to produce a comprehensive integration of previous research on a subject, which meets the scientific requirements of being rigorous and systematic (Cooper, 2010; Kirkevold, 1997). Research synthesis integrates isolated/fragmented information into a more comprehensive and internally consistent whole. Thus, it facilitates the integration of separate studies with different focuses, goals, perspectives, coverage, organization, and a variety of methodologies and audiences to provide a comprehensive view of the phenomenon studied (Cooper, 2010; Kirkevold, 1997). Consequently, a synthesis review is a powerful knowledge-development tool because it allows knowledge to be accumulated, beyond merely evaluating the strengths and weaknesses of existing knowledge in singular studies. This produces a whole new and more informative understanding of the studied phenomenon (Cooper, 2010; Kirkevold, 1997).

Research synthesis contains many unique decision points, in addition to most if not all, present in other types of literature reviews (Cooper, 2010). This type of review overcomes criticism leveled at traditional synthesis. This includes techniques to ensure that all relevant research was located and included; information from each study was accurately gathered; that it used *a priori* rather than *post hoc* inclusion criteria; and to decide whether a study meets an acceptable threshold for methodological quality to be included (Cooper, 2010; Kirkevold, 1997). Research synthesis involves seven steps, requiring decision affecting the study's trustworthiness. These steps reflect the principal tasks to be performed to ensure that the synthesis produces an unbiased description of the cumulative state of evidence on a problem (Cooper, 2010). These steps are:

(i) defining the problem, which will impact the evidence relevant to the question at hand, while identifying the variables to determine relevant/irrelevant studies;

(ii) searching the literature, based on the most appropriate procedures to find relevant information, and by identifying sources and search terms to use to search for relevant studies;

(iii) gathering information from the studies uncovered by the literature search relevant to the problem studied;

(iv) evaluating the quality of the studies to determine which ones should be included in the synthesis based on the suitability of the methods for studying the synthesis problem/question;

(v) analyzing and integrating the outcomes of studies, by using appropriate procedures to reduce and combine the research results;

(vi) interpreting the evidence, including what conclusions can be drawn about the cumulative state of the research evidence; and

(vii) <u>presenting</u> the results. This paper presents these results: Step #7 (Cooper, 2010; Kirkevold, 1997).

Step #1 - Defining the Problem

As was stated earlier, the research question is, "What is the current state of academic research on hotel B-2-B sales in the US?" This question provides the variables of the study, namely, *hotel, B-2-B sales, in the US*. The focus is on the US hotel industry due to its world dominance – US \$143 billion 2017 and estimated US \$166 billion in 2022, followed by China

US \$63 billion in 2017 and approximated US \$73 billion in 2022 (Euromonitor, 2017). Hotel B-2-B sales, for the purpose of this study, refers to hotel group sales generated by living, breathing salespeople (regardless of the source of prospects/leads), while *salesforce* refers to a (key account team, local or hotel property level) group of people selling products and services to a B-2-B market of meeting and convention planners and decision-makers, who purchase meeting space and ancillary services from hotels and other venues (McNeill, 2017). B-2-B sales are anchored in a long-term relationship which nurtures repeat purchases, mutuality and reciprocity in the exchange between suppliers and buyers (Hadjikhani and LaPlaca, 2013; Wang and Brennan, 2014). B-2-B sales is practised by, *inter alia*, KAM (Sheth, 2017), in whatever guise it takes (Davies et al., 2010; Gounaris and Tzempelikos, 2014; Ivens et al., 2009; Jouny-Rivier et al., 2017; Storbacka et al., 2009; Sullivan et al., 2012), in a coordinated manner to optimize value derived from this relationship (Marcos-Cuevas et al., 2014; Pressey et al., 2014; Viio and Grönroos, 2014).

In sum, the key account manager is the custodian of this relationship, engendering mutuality, in pursuit of solutions. As such, the key account manager is responsible for all sales activities, including profitability. This relationship is influenced by many considerations: multiplicity of stakeholders with different roles, responsibilities and competencies; attracting and selecting most important customers/partners; management of the relationship continuance; and the design of KAM program. All these considerations play a part in avoiding conflict and ensuring harmonious interactions, which affect KAM effectiveness (financial and non-financial). These considerations are prsent at the strategic (resource commitment as well as policies) and operational (day-to-day activities) levels and should be aligned with the organization's strategic business plan (Davies and Ryals, 2014; Davies et al., 2010; Friend et al., 2014; Guenzi and Storbacka, 2015; Guesalaga, 2014; Guesalaga and Johnston, 2010; Marcos-Cuevas et al., 2014; Noone and Hultberg, 2011; Pressey et al., 2014; Siguawa et al., 2003; Tzempelikos and Gounaris, 2015; Wang and Brennan, 2014).

## Step #2 - Searching the Literature

*Sources.* To discover the most recent and authoritative scholarship on the subject of hotel B-2-B sales, the authors conducted a literature search using keywords consistent with the definition of hotel B-2-B sales, outlined in the previous step. The authors searched the data basis *Web of Science* (WoS) and (leading) hospitality journals. WoS was used because it hosts the world's leading scholarly literature in the sciences, social sciences, arts, and humanities, and examine proceedings of international conferences, symposia, seminars, colloquia, workshops, and conventions. Many data bases are included in WoS and it connects the *Web of Science Core Collection* to regional citation indexes, patent data, specialized subject indexes, and an index of research data sets. Overall WoS totals more than 33,000 journals. Thus, WoS provides researchers with the breadth they need to be truly comprehensive in their literature search (Web of Science, 2017).

To ensure that all relevant research was located and included in the synthesis review, the authors also searched the leading journals in hospitality. The leading hospitality journals were identified by using the latest available *Australian Business Dean's Council* list-2017 (ABDC-list). These journals included *Cornell Hospitality Quarterly, International Journal of Contemporary Hospitality Management (IJCHM), Journal of Hospitality and Tourism Research, Journal of Hospitality Marketing and Management, International Journal of Hospitality Management (all A-rated or leading journals) and Tourism and Hospitality Research* (B-rated and well-regarded journal).

*Keywords.* Based on the definition of B-2-B sales in the US hotel industry as explained in the previous section the following search terms were used to search the literature: "*hotel*\*<sup>8</sup>" and "*corporate*" or "*B-2-B/B2B*" and "*sales funnel*" or "*buyers journey*;" "*hotel*\*" and "*corporate group*" or "*B-2-B/B2B*" and "*account journey*;" "*hotel*\*" and "*corporate group*" or "*B-2-B/B2B*" and "*account journey*;" "*hotel*\*" and "*corporate group*" or "*B-2-B/B2B*" and "*account journey*;" "*hotel*\*" and "*corporate group*" or "*B-2-B/B2B*" and "*account journey*;" "*hotel*\*" and "*corporate group*" or "*B-2-B/B2B*" and "*account journey*;" "*hotel*\*" and "*corporate group*" or "*B-2-B/B2B*" and "*account based sales*" or "*account based marketing*" or "*strategic account marketing*" or "*KAM*."

## Step #3 - Gathering Information

*Literature searches.* First, WoS was searched on May 4, 2017, using the keywords "hotel\*" and "corporate" or "B-2-B/B2B" and "sales funnel" or "buyers journey" (with no year limit) which returned 70 documents. This search was repeated the same day using keywords "hotel\*" and "corporate group" or "B-2-B/B2B" and "account journey" which returned 52 documents, overlapping with the previously returned documents.

On May 5, 2017, the WoS search was repeated using the keywords "hotel\*" and "corporate group" or "B-2-B/B2B" and "account-based sales" or "account-based marketing" or "strategic account marketing" or "strategic account sales" or "strategic account marketing" or "KAM" (with no year limit) which returned 112 documents.

To ensure that most up-to-date research was included, on August 8, 2017, the WoS search was again repeated using the same keywords. This search returned 149 documents, with 112 overlapping from the May 5 search.

Of the total WoS searches, 47 documents appeared to meet the inclusion criteria, six of which were specific to hotel B-2-B sales.

Next, the leading hospitality journals were searched on October 10 and 11, 2017, using the same keywords (and no year limit). *Cornell Hospitality Quarterly* returned 672 documents of which five seemed to meet the inclusion criteria, one of which overlapped with the WoS search. *IJCHM* returned 548 documents of which four appeared to meet the inclusion criteria, three of which overlapped with the WoS search. *Journal of Hospitality and Tourism Research* returned 381 documents of which nine appeared to meet the inclusion criteria. *Journal of Hospitality Marketing and Management* returned 309 documents of which eight seemed to meet the inclusion criteria. *Hospitality Research* returned 134 documents, one of which appeared to meet the inclusion criteria. *Hospitality Research* returned 134 documents, one of which appeared to meet the inclusion criteria, while *International Journal of Hospitality Management* and *Tourism* did not return any documents. In total, 23 documents (excluding overlapping documents) appeared to meet the inclusion criteria, i.e.:

- hotel B-2-B and generic sales literature were included for the sake of completeness because the applied field of hospitality, including hotels, does not have formalized theories of its own and thus, draws from other fields (Roberts and Shea, 2017);
- the research reported on B-2-B sales (content, tasks/activities, what salespeople do);
- the research reported on relationship management, KAM, strategic account management, account-based sales or any synonym;
- the research reported on the factors influencing successful B-2-B sales, relationship management, KAM, strategic accounts, account-based sales or any synonym;

<sup>&</sup>lt;sup>8</sup> \* Allowed for different suffice e.g. hotels

- the origin/history/evolution/development/future of the concept B-2-B sales, relationship management, KAM, strategic accounts, account-based sales or any synonym;
- the research could be empirical or conceptual; and
- the research was in English (the main limitation of this study).

Step #4 - Evaluating the Quality of the Studies

This step evaluates the quality of the 70 returned documents in the previous step to decide which should be included in this synthesis review based on:

- (i) the suitability of the records regarding the problem studied; and
- (ii) meeting standards of research rigor.

Consequently, items referring to business-to-consumer or technical aspects, like calculation of pricing were excluded. Scholarship that was not rigorous compared to research standards was excluded. In total, 22 documents were excluded; the majority did not meet the purpose of the current study, e.g., they related to consumer marketing/sales. A minority of the excluded 22 documents did not use theory to explain the phenomenon under study. An asterisk (\*) in the list of references indicates the included 48 documents in this synthesis review.

Step #5 - Analyzing and Integrating the Outcomes

This step begins with a general description of the articles included, followed by the theories used to explain B-2-B sales as practices by KAM, and finally the themes that emerged from these articles.

*General description of articles included.* The 48 documents reviewed appeared from 1994 to 2017 and may not be all-inclusive, though they cover a range of topics relevant to this study. Of the 48 articles included in this review, the majority (28 or 58%) were from *Industrial Marketing Management*. The second most prevalent articles (4 or 8%) were from *Journal of Hospitality & Tourism Research*. The remaining documents (16 or 33%) were sourced from journal titles replicated less than four times each. *Industrial Marketing Management*, the dominant sourced journal, is classified as a leading (A\*) journal according to the ABDC-list. Of the 48 total articles reviewed, just over a third of the documents (17 or 35%) related to KAM from a hotel B-2-B sales perspective. Of these, 15 appeared in hospitality journals of which the journal search retrieved nine.

The topics of these 48 articles ranged from the selling process to decision-making and relationship quality to value co-creation and exchange to factors impacting the successful implementation of KAM. The majority addressed factors impacting the effective implementation of KAM. In both generic and hotel-related articles, the impact of revenue management principles (the flexible application of disciplined supply/demand analytics in a wide range of industries) on KAM was a recurring theme. Another recurring theme was the impact of technology. Sporadically, the topic of B-2-B salesperson competencies (knowledge, skills, abilities) appeared in both generic and hotel literature. Uniquely, hotel B-2-B sales articles emphasized the challenges with setting rates for the hotel industry's difficult to predict and perishable inventory. In the earlier hotel-related articles, authors stressed the changing nature of the hotel B-2-B sales organization. Generic literature discussed the adaptation of buyer/seller organizations to ensure a successful KAM relationship. Most of the 48 articles

reviewed relate to KAM from the suppliers' perspective; very few addresses this issue from the buyer's perspective. The studies were conducted mainly in Europe and the USA and included both manufacturing and services industries. The articles were mostly empirical, and qualitative, primarily utilizing interviews to collect data. The majority of studies were co-authored, and Ryals was the co-author in most (four) instances, followed by Davies and Wang (three each).

*Theories used to explain key account management (KAM)*. In line with the findings of the study of Hadjikhani and LaPlaca (2013), the authors of this paper observed that scholars use a variety of theories to explain KAM. In essence, these theories have been classified into two broad categories: (i) economic and (ii) behavior (Anderson and Xie, 2010; Davies et al., 2010; Hadjikhani and LaPlaca, 2013; Jones and McCleary, 2004; Lee et al., 2005; Wang and Brennan, 2014; Weilbaker and Crocker, 2001; Williams and Plouffe, 2007). However, it has been observed that economic theories and behavioral theories are not mutually exclusive (Viio and Grönroos, 2014).

The economic category includes four types of theories: (i) transaction cost (Davies *et al.*, 2010; Davies and Ryals, 2014; Hadjikhani and LaPlaca, 2013; Jones and McCleary, 2004; Wang and Brennan, 2014; Williams and Plouffe, 2007), (ii) exchange (Hadjikhani and LaPlaca, 2013; Viio and Grönroos, 2014), (iii) resource-based (Hadjikhani and LaPlaca, 2013; Ivens *et al.*, 2009) and (iv) supply and demand (Cetin *et al.*, 2016).

Within the economic category, transaction cost theories are the most prevalent. Some authors observed that stakeholders in the KAM relationship use transaction cost theories, whether implicitly or explicitly, which may harm long-term relationships. And, the main offender is most often hotel revenue management practices (Alexander and Xie, 2010; Noone and Griffin, 1997; Noone and Hultberg, 2011; Wang, 2012; Wang and Bowie, 2009; Wang and Brennan, 2014). The transaction cost theories are generally regarded to have a short-term, profit-driven focus and aim to stimulate demand based on a reward system (Alexander and Xie, 2010; Davies et al., 2010; Hadjikhani and LaPlaca, 2013; Wang, 2012; Wang and Bowie, 2009; Wang and Brennan, 2014). Transaction cost theories no longer deemed appropriate to explain behavior on its own (Hadjikhani and LaPlaca, 2013; Jones and McCleary, 2004; Lee et al., 2005; Viio and Grönroos, 2014).

The behavioral category of theories, in contrast to the economic category and especially transaction cost theories, are considered to emphasize long-term, profitable, relationships with major customers. This entails commitment to mutual goals and the adaptation of at least one party, usually the seller, to ensure success in satisfying customer needs. This relationship is purported to be based on value co-creation and potentially facilitates repeat business (Davies et al., 2010; Gounaris and Tzempelikos, 2014; Lee and Hiemstra, 2001; Lee et al., 2005; Sullivan et al., 2012; Viio and Grönsroos, 2014, 2016; Wang, 2012; Wang and Bowie, 2009; Wang and Brennan, 2014; Weilbaker and Crocker, 2001).

Behavioral theories span a broad spectrum and can be classified - from either the buyer or seller perspectives -according to relationship lifespan *stages (attraction, selection, continuance,* and *attrition)* and/or perceived of relationship *states* - satisfaction or dissatisfaction (Wang, 2012). Järvinen and Taiminen (2016), Jones and McCleary (2004) and Rapp (2009) address the total relationship lifespan. Jouny-Rivier et al. (2017), Mortenson (2012), Noone and Griffin (1997), Siguaw et al. (2003), Terho et al. (2015), Tzempelikos and Gounaris (2015), Viio and Grönroos (2016), Wang and Bowie (2009), Wang and Brennan

(2014) address the attraction and selection stages of the relationship lifespan, which includes segmentation of major customers/accounts. Friend et al. (2014) and Paesbrughhe et al. (2017), on the other hand, only discuss the selection stage. Boo et al. (2010), Clark et al. (1998), Oh et al. (2008), and Vogt et al. (1994) discuss the selection of venues, which form part of the decision-making process. Boo et al. (2010), Breiter et al. (2004) and Noone and Hultberg (2011) address attrition or loss of customers.

Regarding perceived states of the relationship, a range of practices/factors can alter (e.g., facilitate or strain) the relationship and take various forms. Davies and Ryals (2014), Hadjikhani and LaPlaca (2013), Jouny-River et al. (2017), Lee and Hiemstra (2001), Lee et al. (2005), Pressey et al. (2014), Sheth (2017) and Storbacka et al. (2009) address these practices/factors that impact the relationship state. Cetin et al. (2016), Davies et al. (2010), Wang and Brennan (2014) and Weilbaker and Crocker (2001) address the *competence* (knowledge, skills, and attitudes) of both key account managers and revenue managers which is one of these factors. Biemans et al. (2010), Gounaris and Tzempelikos (2014), Guenzi and Storbacka (2015), Guesalaga (2014), Järvinen and Taiminen (2016), Jouny-Rivier et al. (2017), Lee and Hiemstra (2001), Lee et al. (2005), Marcos-Cuevas et al. (2014), Paesbrugghe et al. (2017), Rapp (2009), Sotbakaca et al. (2009) and Virtanen et al. (2015) address another altering factor, *organizational structure*, which impacts intra- and inter-organizational co-operation/collaboration. Jones and McCleary (2004) address *cultural* factors which can also alter the relationship. Guenzi and Storbacka (2015) discuss *change management* as an altering factor, while . Williams and Plouffe (2007) use *role theory*.

Given the above theories used to explain key account management (KAM) (economic and behavioral), it is not surprising that following themes correspond to these theories.

*Themes.* In essence, themes appear to coalesce into a singularity: Successful KAM implementation. *Implementation*, by and of itself, is challenging (Möller and Parvinen, 2015; Terho et al., 2015) and often results in a high failure rate of KAM (Guenzi and Storbacka, 2015; Hadjikhani and LaPlaca, 2013). Its multi-dimensional nature compounds successful KAM implementation, reflected in the definition of KAM provided earlier in *Step #1 - Defining the Problem*.

The first theme that is related to successful KAM implementation is the concept of *relationship* due to its frequency of use in the reviewed literature. But, its ascribed meaning is ambiguous, unstated, and at best variable. However, it is acknowledged that KAM cannot be implemented without a relationship. The second, third, and fourth themes relate to the relationship lifespan stages: attraction, selection, continuance, and attrition.

A second theme includes *attracting* and *selecting* a portfolio of major customers/accounts with whom to form mutually beneficial long-term relationships. Attraction and selection are based on knowledge of the customer needs as well as buyer and seller processes. This knowledge is vital in matching and adapting buyer/seller strategies and processes. This is requisite for a successful buyer/seller consultative/collaborative interaction.

A third theme relates to the *continuance* of the relationship. Relationships are dynamic – as the relative value of a customer changes, its position changes within the portfolio of accounts. This means that the allocation of resources to the relationship varies accordingly.

A fourth theme relates to *attrition* or deselection of customer/account portfolio members. This can be initiated by either buyer or seller. However, most often the buyer decides to leave the relationship because of perceptions of poor relationship quality or the *state* of the relationship, which is expressed as trust and satisfaction which leads to commitment. Also, causing attrition is the perceived or actual misalignment between buyer/seller. The seller, due to lack of their organizational customer focus, is perceived by the buyer as being fragmented in their efforts to deliver value in a coordinated manner.

#### Step #6 - Interpreting the Evidence

KAM is multi-dimensional, and authors do not address this multiplicity in one standardized definition. However, a comprehensive definition can be assembled from the different articles. Theories used to explain KAM, generally, seem to treat economic and behavioral explanation as mutually exclusive. In reality, it is not possible to differentiate between these theories with *surgical precision*. These theories partially overlap. Hence, it may be possible to integrate them to represent a more holistic view. However, given the complex nature of the phenomenon under study, it is understandable that scholars investigate it from different viewpoints using different theories. This approach may generate an impression of fragmentation rather than an integrated whole.

Sales and marketing are functions of an organization that serve as mechanisms to achieve organizational goals (including top-line revenue) via strategy implementation. As such, sales and marketing functions give effect to top management defined organizational purpose. The sales function is generally considered narrower in scope than the marketing function. The sales function versus the marketing function has the primary and direct involvement, interaction, and collaboration with major customers. This interaction aims to create value by simultaneously satisfying both buyer and seller needs while developing a mutually profitable relationship. Thus, customer value-realization is central to the seller's organizational purpose. Thus, strategically informed segmentation, targeting and positioning play a critical role in the composition and treatment of customers in the organization's account portfolio; there must always be a *right-fit* between the buying organization and the selling organization. The position of customers in the account portfolio is not necessarily stable – they can migrate to different relative positions initiated by either buyer or seller.

The behavior of the key account manager simultaneously influences and are influenced by buyer and seller organizational structures. Like a symphony conductor synthesizing diverse instruments into a harmonious whole, they orchestrate and synthesize both internal and external organizational interactions into mutually beneficial co-value creation, necessitating adaptation from both buying and selling organizations. However, if the key account manager does not have authority, cooperation and alignment with both buyer and seller organizational members to make binding, mutually beneficial decisions relating to collaborating in value co-creation, a potential symphony may devolve into a cacophony of conflict. The hotel B-2-B sales academic literature is silent on the adaptation required in co-value creation, while the practitioner literature, as well as generic B-2-B academic literature, is vocal, but without sufficient details. This leads to the questions of what collaboration is, how close it should be, what is value creation, how is value created, and what is the role of systems and processes in collaborative value creation? Answers to these questions influence KAM efficiency and effectiveness.

The key account manager is pivotal to the KAM relationship and critically requires support by top management. KAM is not merely another sales or marketing plan. KAM is part

of the strategic business plan: it is integrally embedded. Through top management, power and customer/account-centrism cascades throughout the organization. Entrusted with this pivotal position, the key account manager must possess competencies to successfully accomplish the inter- and intra-organizational mandate. Essential competencies include soft-skills (political, emotional, communication, influence, and trust) combined with hard-skills (business acumen or *seeing-the-big-picture* to balance strategic/long-term and operational/short-term requirements). In sum, the key account manager and the KAM team are, thus, empowered as the coordinating focal point to drive a harmonious organization-to-organization long-term marriage.

# Conclusions

Published academic hotel B-2-B sales research is glaringly limited and analogous to, "...small disconnected islets in a vast sea of ignorance" (Orwell, 1986, p. 209). In contrast to the discipline of *marketing*, there does not seem to be a coherent and well-formed theory or understanding of hotel B-2-B sales.

In contrast to the uncoordinated fragmentation depicted by the academic literature, industry practices, as experienced by the authors, appear to be generating a coherent model of KAM (See Zimmerman, 2018). It is confounding and unacceptable that academic literature struggles to comport with reality. What is needed is an organization-to-organization marriage where all polygamous partners within a multiple account portfolio diligently work together to co-create value that bonds the relationships. How? Generic KAM academic literature provides glimpses of an evolving inter- and intra-organizational integrated approach to B-2-B sales while the hotel academic literature is opaque.

To answer the question posed by the title of this paper, "What does the literature say about hotel B-2-B sales...?" "Yes, the literature glimpses a partially formed *ugly duckling* – yet, unaware of its evolving beauty as a *swan*."

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# EVENTS AND THE GOVERNANCE OF THE TERRITORY: THE NIGHT OF TARANTULA IN APULIA

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# Abstract

Events are an important attraction for tourist destinations (Getz, 2008). Even in wellknown destinations for their sea, events can attract different types of tourists and can help counteract seasonality (Ritchie & Beliveau, 1974). In Apulia, this is thanks to the Night of Tarantula Festival, which was born in 1998 and is currently the largest European music event dedicated to traditional music, able to attract over 230,000 viewers from around the world every summer in the Salento region. Analyzing the Festival "La Notte della Taranta" from an economic and legal point of view has been the main purpose of our research.

Key Words: Tourism; Destination; Development; Governance.

# Introduction

In Italy, tourism is one of the most dynamic productive sectors. The country is characterized by the presence of archaeological, architectural, artistic and cultural sites that require an adequate planning in terms of the services offered. It is therefore necessary to increase the tools that can guarantee the development of tourism both at a national and at a local and territorial level.

Italian territory is an expression of culture, a term that can take on a plurality of meanings.

Firstly, culture refers to the person - to be understood as an individual - and concerns the development of knowledge; according to another meaning, the term culture belongs to the community, in which a subject lives and therefore concerns values and ideals.

Until the middle of the 20th century, culture was considered an elite phenomenon, known only to those who were able to appreciate the beauty and cultural value of a good.

The culture was reserved only to those who held power and was allowed to those who could be able to enter the graces of the powerful.

This has led to delays in introducing incentive mechanisms for visiting museums and cultural heritage in general. In this context, the relaunch of tourism in all its facets is inserted, with great attention to creating the conditions for the development of our country in a homogeneous

territorial strategy, favoring employment and making tourism the most important industrial sector on which Italy can count for growth. But, for an economic strategy on tourism to be really effective, however, we can not ignore the regulatory framework within which economic agents act.

When looking at tourism from a legal point of view, reference is made to a set of legal rules governing this particular economic sector. The legislator's attention to this phenomenon is actually almost recent, but despite this, the socioeconomic evolution of tourism has led to considerable progress in legislation.

The crucial importance of tourism has determined a deep intervention of the public power in the discipline of tourism, in relation also to the different implications on public order, on the protection and enhancement of the territory, on the need to safeguard the artistic and cultural heritage.

The attention to the tourism sector is linked primarily to the territorial aspect, to the will to safeguard the territory and to protect and promote culture. The development of a territory is mostly based on e the attention that the institutions (and first of all the local authorities) place in it.

Tourism is in fact closely connected to the government of the territory, to the protection of the landscape, to the protection and enhancement of the cultural heritage present in a specific place, besides being one of the sources of revenue for local government (Rinaldi, 2011).

The tourist use of a territory also requires a territorial planning policy to ensure a more balanced use of places based on the paradigm of sustainable development and at the same time an active collaboration between Administrations to ensure the creation of infrastructures and communication networks that allow a place to become a tourist destination and a source of wealth.

And indeed, the activity of development and promotion of tourism is left to the intervention of a plurality of subjects (both public and private) who act to guarantee the economic development of the tourism sector and to protect the territory in a broad sense. In this context, local administrations are also asked to manage the externalities deriving from the exploitation of the natural resources that are used in the tourism sector (Rinaldi, 2012).

The knowledge of a territory becomes essential to know its history, to understand its values that can remain etched in the mind of the traveler as an emotion of memory.

And a territory, like that of Salento (in Apulia, Italy), which is characterized by the presence of archaeological, architectural and cultural sites requires to qualify the network of services through which we can guarantee the use, information and tourist accommodation, exploiting the presence of the cultural event of La Notte della Taranta that allowed Salento to be known abroad. And to do this, the best way is to support the development of particular forms of tourism, which can even be more sectoral, such as cultural tourism, tourism linked to traditions, religious tourism. In this way, a new idea of land use develops, in which the administrations merge different factors, from the protection and promotion of the territory to their valorization, guaranteeing a use of the territory in compliance with its nature as a public resource: an integration between urban planning and territorial planning becomes necessary. Ultimately, the transformation activities of the territory for tourism must be carried out in full compliance with the provisions of the Tourism Code as well as with the provisions on territorial governance (both at state and regional level), which at the same time are required to respect the rules on the protection of the environment, the landscape and cultural heritage and which, in a broad sense, concern the legal regulation of the territory, an expression of its transformation. The festival is a cultural, even more than a touristic event.

It is an expression of the collaboration between public and private bodies that act on the territory.

Relevant is the collaboration between public and private subjects, the private-public partnership that testifies that the event has been able to achieve the economic, media and tourist importance it has today.

The public administration and the private subjects work together for the realization of a coordinated activity aimed at achieving a single result, that is to enhance the touristic performance of the Salento area.

Indeed, during the last year, the event has been financed by the following public subjects: the Apulia Region, the La Notte della Taranta Foundation, the Diego Carpitella Institute, University of Salento, Union of the Municipalities of the Grecia Salentina. Besides the public funding, even private subjects financed the event: Canon (Hi-tech), ContiZecca (wine), Mangiatorella (water), Leadri (roads), Nuovarredo (furniture).

# The festival: la notte della taranta

It is widely acknowledged that festivals make an important contribution to the economic development of local areas. Indeed, festival and local events provide opportunities for tourism promotion, economic outcomes and increased investment inflows in the host regions (Getz, 2007; Van de Wagen, 2005). Furthermore, they contribute to contrast seasonality in the tourism sector (Huang, Li & Cai, 2010; Boo and Busser, 2006; Mehmetoglu and Ellingsen, 2005). To define the festivals, we can use the work of Cudny (2012). The authors list the basic features of festivals: "varied, uncommon events, unconnected with work, they celebrate elements significant in the life of a given community, consolidating it, they are often related to the culture and religion of local communities, they often consist of many different social and cultural events, they are often regular events connected with art and culture". one of the factors from which tourists seem to be more attracted to festivals is the culture, sometimes exotic, represented (Quinn, 2010), besides the unusual atmosphere, sharing the experience with similar people, learning more about the world. Events like festivals also respond to a desire for cities and towns to share their culture and traditions with the rest of the world. At the same time, they are a source of income for cities, although their impact is complex to measure. We know that popular traditions may represent an instrument for the growth of a territory and for the tourist development of a destination.

And indeed, those events represent a singular instrument to stimulate the economic, social and juridical context of a geographical area and allow a territory to get out of the isolation to which it is often condemned by the process of globalization (Malo & Perini, 2012). Indeed, in the last twenty years cultural events grew at an international level recently and festivals have become one of the fastest growing types of tourism attractions. This process has also led some territories to redefine their cultural, urban and economic identity.

We have been able to verify that the development of tourism in a place can also be achieved through local culture, using the instrument of the cultural event to attract attention to the territory, the environment and not least eve to guarantee the economic growth of a geographical area.

Regarding specifically to the development of tourism in a territory due to cultural events, it is important to note that the study we conducted was precisely focused on a territory that has very unique aspects, which differentiate it from other places in our country.

We affirmed before that the phenomenon of La Notte della Taranta was born in a geographical area in the south of

Salento and in particular in the Municipalities of the so-called Grecia Salentina, in the Apulia Region. The Apulia Region is located in Southern Italy (the red region in Figure 1) and the Grecia Salentina is in Salento, the southeastern side of the Region (Figure 2).

# Figure 1

# Figure 2

Map of Italy and Apulia Region



Grecia Salentina



The Grecia Salentina is an hinterland territory of the Province of Lecce, in which a linguistic minority uses a language called griko, which is not very different from the modern Greek.

The history and development of this territory are linked to the history and development of Salento.

It is in this part of the territory that an inter-municipal association was formed which took the name of the Union of Municipalities of the Grecia Salentina.

This association includes the municipalities of Calimera, Carpignano Salentino, Castrignano dei Greci, Corigliano d'Otranto, Cutrofiano, Martano, Martignano, Melpignano, Sogliano Cavour, Soleto, Sternatia and Zollino. The birth of the Union of Municipalities of Grecia Salentina is closely linked to the will of the administrators who governed the municipalities mentioned above in the 1990s.

The Union of Municipalities of Grecia Salentina has thus assumed the role of leader in the activity of valorization of the griko territory. And the valorization of that territory could actually be realized using just the cultural traditions. This gives rise to the process that has resulted in the now well-known event which is La Notte della Taranta. The Union - thanks to its being a real local body - has been able (and still continues today) to enjoy substantial economic funding both at regional and European Union level, through which not only finance La Notte della Taranta, but also allow to recover all those popular traditions that were slowly disappearing; not least the same grika language. The festival - today known not only in Italy but also abroad (great attention to the event comes from China for example) - was born in 1998 and is an expression of the enhancement of local music, local traditions and local territory.

Born in order to enhance local music, the Night of Taranta Festival has been able to involve, over the years, many different actors: artists, administrators, tourists, entrepreneurs, observers and scholars. Thanks to particularly positive side factors (including good food and the landscape of exceptional beauty), the event has become an exceptional tool for territorial marketing not only on the national scene, but also on the international one.

The cultural event of the Night of Taranta certainly rests on a substratum of territorial culture that can be considered very close to the definition of social capital for which "social capital differs from other forms of human capital as it is usually formed and handed down through cultural mechanisms such as religion, tradition or inveterate habits" (Fukuyama, 1996). From this point of view, a shared value system, tradition and the desire to emphasize one's own identity represent cohesion points able to realize the aggregation of individuals who live and work in the territory.

We could even speak of territorial social capital (Gastaldi, 2003), meaning the complex of economic, social and cultural characteristics of a territory in their relations with the physicalnatural specificities. The festival fits perfectly into this framework, as a place of appreciation of the territorial social capital). In fact, cultural specificity is one of the key elements in the concept of territorial social capital: it is the basis of development policies that are able to strengthen the cultural identity of the territory, while at the same time creating opportunities for economic growth for the tourist destination. The dimensions of the Festival and its relevance led then in 2008 to the establishment of the La Notte della Taranta Foundation, which not only organizes the Festival, but also aims to define the management strategies, promoting initiatives for the enhancement and protection of the Salento area, from a cultural and touristic point of view. The evolution of the phenomenon, steadily rising, led to the creation of the itinerant Festival in 2000, involving 15 municipalities.

Our first objective was to analyze, in terms of the economic and legal governance of the territory, the impact of the Night of Taranta for the population of the area and for local producers of goods and services. In addition, we wanted to see if the tourist destinations involved have been able to counteract seasonality, attracting incoming flows even in the rest of the year. Finally, we wanted to understand how a musical event could have implications for urban planning law, land planning, and tourism development. In order to evaluate the development of the territorial area, the have used the available data series, which allowed us to analyze not only the trend of incoming tourist flows but also the their composition. Since one of the objectives of the research was to analyze the government of the territory in the management of such an event, we used the data released by the municipalities belonging to the Union of Grecia Salentina, which is the area in which the event is being held. The availability of historical series has enabled us to test the impact of the Night of Taranta on the development of the tourist destinations.

The analysis of the data allowed us to ascertain that, thanks to a popular cultural event, the destinations involved have benefited from a growing flow of visitors. Consequently, local tourist revenues have increased as well as the wealth of the local population, through a multiplier effect. In addition, the growing presence of tourists on the territory has provided a stimulus for the emergence of new entrepreneurial initiatives. The research has led us to understand how a territory can develop through popular traditions and music. The international importance of the Night of Taranta has allowed the Salento area and in particular the municipalities of Salentina in Greece to make known to tourists a territory rich in natural, cultural and historical beauties. The Night of Taranta event has stimulated the collaboration between public, economic and cultural subjects with the aim of favoring the creation of new productive processes that have a decisive influence on the development of the territory.

Our research has produced important correlations between culture, territorial development and economic growth of a tourist destination. Local development is a process based on the exploitation of the resources of a given territory, in which the complementarity between public and private subjects is fundamental. An additional step could be made by elaborating forecasts for the future development of the tourist area.

# **Economic Impact of The Festival**

According to the third Report on "Tourism that does not appear in Puglia", recently realized on behalf of Puglia Promozione by Mercury Consulting, in the year 2000 tourism in Apulia was worth 2.6% compared to the national value in terms of overnight stays and 2.3% in terms of arrivals. In 2016 it is worth 3.6% of stays and 3.2% of arrivals. The study shows how the performance of Apulia was the best among all Italian regions, exceeding the overall growth of Friuli-Venezia Giulia, Sardinia, Marche and Sicily.

Mostly, tourists who choose Apulia are returning consumers. We know that there are four elements characterizing returning consumers:

- 1. The retention rate (the ability of the brand/destination to grow loyal costumers)
- 2. The conversion rate (the ability to convert the awareness in trial)
- 3. The salience (the ability of the brand/destination to represent itself to the tourist that still don't know it)
- 4. The Relevance (the ability of the brand/destination to be chosen)

What about Apulia? 50% of the 700 consumers that have already visited Apulia would like to come back. Indeed, according to a research released in 2016 by Travel Appeal (and that has been commissioned by the Apulia Region), in 2016, 83.9% of tourists who came to Italy declare a positive sentiment. In Southern Italy, the percentage rises to 85% and it is 86.8% in the administrative center of Lecce.

The event consists of a series of concerts located in the municipalities of the area and a final concert held every year in the town of Melpignano. From 2007 to 2016, the local events hosted 607 musical groups performing, involving 4,228 musicians, thanks to the efforts of the 18 Municipalities committed in the organization of the events. During these years, more than 2,780,000 spectators attended the events.

The final concert, in the same period, hosted 68 Italian singers performing, 42 singers from all over the world, 49 performers joining the local Orchestra and has been attended by over 1,485,000 spectators. As we may see in Figure

3, the number of participants at the final event is rapidly increasing in the last years. In fact, if in 2007 the participants at the final concert amounted to 5,000, in 2016 they reached 200,000.

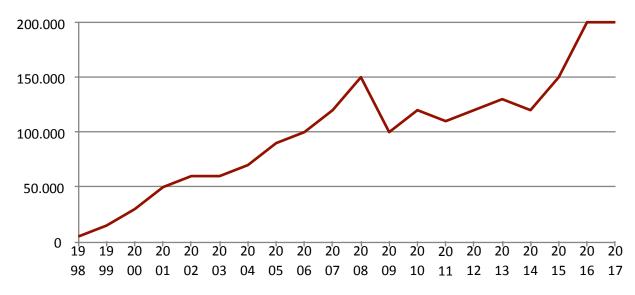


Figure 3 Number of People Attending the Final Concert at the Night of Tarantula Festival

Source: our elaboration on data released by the Foundation La Notte della Taranta.

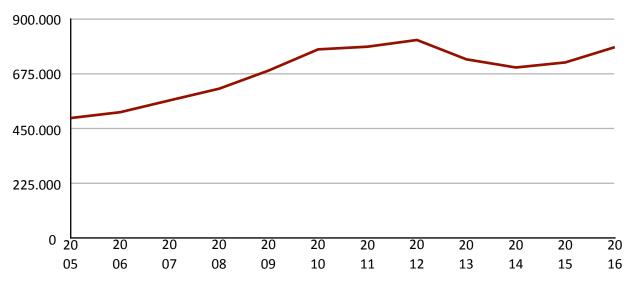
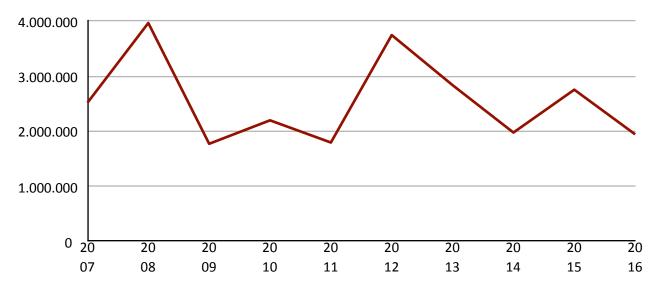


Figure 4 Tourist arrivals in the area of Grecia Salentina

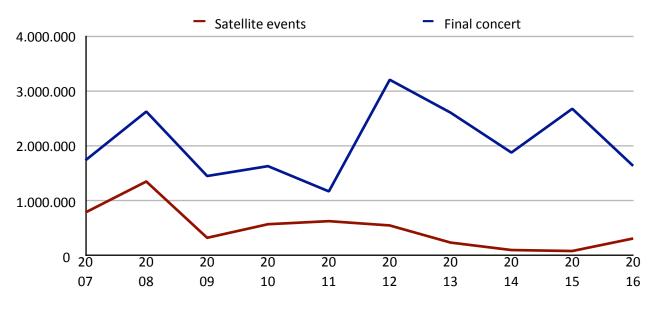
Source: our elaboration on data released by the municipalities.

As it is well known, there are two variables that are commonly used to asses the impact of tourism (or tourism events, like ours): tourist arrivals and tourist revenues. In order to estimate the impact that the festival has had on the territory, we analyzed the data of tourist arrivals in each of the municipalities in the area. Data highlighted that tourists choosing the area of the Grecia Salentina increased in the last decade, as we may see in Figure 4. While in 2007 the tourists who chose the area for their holidays were about 492,000, in 2016 the volume of tourist arrivals almost reached 783,000. The data let us suppose that the festival represented, for the towns involved, a promotional tool that allowed them to be known, even if they are very small towns.

Figure 5 Festival The Night of Tarantula - Minimum Economic Impact in €



Source: our elaboration on estimates provided by the La Notte della Taranta Foundation.



*Figure 6* Festival The Night of Tarantula - Minimum Economic Impact by event category in €

Source: our elaboration on estimates provided by the La Notte della Taranta Foundation.

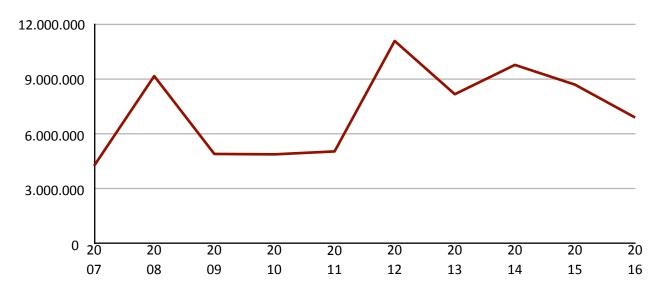


Figure 7 Festival The Night of Tarantula - Potential Economic Impact in €

Source: our elaboration on estimates provided by the La Notte della Taranta Foundation.

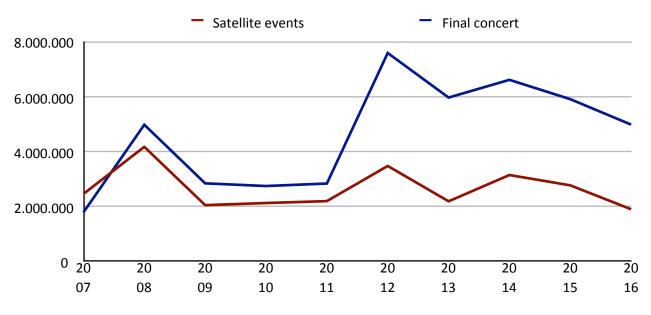


Figure 8 Festival The Night of Tarantula - Potential Economic Impact by event category in €

Source: our elaboration on estimates provided by the La Notte della Taranta Foundation.

As for the economic impact of the Festival, we used data on the minimum economic impact (tourists in the Salento region only for the Festival The Night of Tarantula) and the potential economic impact (tourists in the Salento region even for the Festival). The trend of the minimum economic impact from 2006 to 2017 is very unstable (Figure 5). During the last 10 years, there have been three peaks: in 2008, 2012 and 2015, but the overall value of the economic impact is decreasing, from about 2.5 million  $\in$  in 2007 to more than 1.9 million  $\in$  in 2016 (while the highest value is in 2008, with almost 4 millions and the negative peak is in 2009, with about 1.8 millions). Among the tourists that chose Salento just to attend the Festival, the highest volume of revenues is related to the final event, which we may presume they attend more with respect to the other events in the other towns (Figure 6). Furthermore, the total impact of the final concert, which is not steady drying these years, is similar in 2016 with respect to 2007

(respectively, 1.7 and 1.6 million €). Even if from 2007 and 2009 the two kinds of events show a similar trend, from 2009 on, the trend of the impact coming from the satellite events is quite stable, while the impact of the final concert is very irregular, showing a positive peak in 2012 (3.2 million €) and a negative peak in 2011 (almost 1.2 millions). Besides the minimum economic impact, we also used the data on the potential impact, that is the impact deriving from tourists visiting Apulia and the Salento region for other purposes, but who still decided to attend the Festival. Interestingly, these data (Figure 7) show an increasing trend during the last decade, starting from 4.2 million € in 2007 and reaching almost 6.9 millions in 2016, with the highest level in 2012 (more than 11 millions) and the lowest one in 2008 (almost 4.9 million €).

Even in the analysis of the potential economic impact, data have been disaggregated on the basis of the type of event (main event, satellite events). The first reflection that is suggested by the data represented in the Figure 8 is linked to the performance of the economic impact in the two categories of events: even in this case, this trend is very similar until 2011 while in the

subsequent years the impact of the final concert performs much better. From 2012 on, the trend of the economic impact is decreasing both for the satellite events and the final concert.

# Conclusions

Tourism festival is rapidly growing in many countries. It is a tourism sector in which economic aspects are combined with regulatory norms linked to the governance and also to the public support to the events. The festivals attract a growing number of tourists, as they respond to the need to get in touch with local cultures and with traditions, music, food and places of which the tourist feels to perceive the true essence.

Even by the local administrations, festivals are increasingly being used as tools for promoting tourism and supporting the local economy. This is one of the reasons why we are observing a rising public assistance intervening in the organization of festivals.

Our study focused on the Festival The Night of Tarantula that takes place during the summer from 1998 in Salento, in the Apulia Region (Italy). After having framed the public structure that made the organization of the festival possible, we analyzed the data on tourist arrivals and the economic impact of tourism in the area of Grecia Salentina, where the events are hosted.

The results show an increase in tourist arrivals, but a decreasing economic impact, suggesting the need for new policies in order to use local festivals as a tourism strategy. Policy implications in this case are related to increasing the spending of visitors and their volume. Popular culture, the traditions highlighted by the La Notte della Taranta event should impose a review of the policies for the promotion of the territory. The attention should then allow the Municipalities of the Grecia of Salento to put in place policies aimed at developing different types of tourism. The cultural event should be considered an instrument through which to create other types of tourism related to the festival.

Despite the data on the economic impact, the Festival confirms that the relationship between culture, environment, cultural heritage is ultimately the factor that can guarantee the development of a territory. Indeed, what the Union of Municipalities was able to achieve was precisely the enhancement of its territory, that became a real tourist destination: Salento is chosen as tourism destination by a growing number of tourists who have been able to know the beauty of this area thanks to the event of La Notte della Taranta.

In this context, the extraordinary success of the La Notte della Taranta event can be considered as an example for the whole of Southern Italy.

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# STATE POLICY AND TOURISM ECONOMICS IN INDIA: PAST, PRESENT, AND FUTURE

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# Abstract

Tourism is a key economic sector that contributes to a country's Gross Domestic Product (GDP), employment generation and foreign exchange earnings. The objective of the research is to analyze the role of Government of India in planning, infrastructure development, investment, promotion, skill building, regulation of market through legislation, research and development in tourism, since country's independence. Tourism is in India gained a momentum by governments' introduction of the new policy, marketing, branding, product development, infrastructure and human resource development during the 21<sup>st</sup> century. It is forecasted that domestic tourism in India will increase by leaps and bounds in terms of number of tourist and revenue.

# Keywords: State Policy, Tourism Economics, Sustainability, Five Year Plan, India

# Introduction

Towards world's GDP, tourism contributes about 10 percent, and it generates one of every eleven jobs in the world. For many countries, tourism is the major source of foreign exchange (Piramanayagam & Seal, 2017). Tourism is considered as a feasible tool for poverty alleviation, multicultural peace, environmental protection, and international understanding across the world (UNWTO, 2016).

The outcome of the tourism is not similar for all the countries. The contribution of tourism sector vary from less than one percent to around eighty percent of the country's GDP, and less than a half a million job to more than five million jobs of country's total employment. Maldives earns 79.4 percent of GDP through travel and tourism, while Algeria earns 0.5 percent (Knoema, 2018). Travel and tourism industry real contribution to GDP in the United States of America is US\$1509 billion, while United Kingdom earns US\$ 2.8 billion. Travel and tourism industry's directly contributed about 5.49 million jobs in the United States of America while only 0.42 million jobs in Greece (Statista, 2018). This wide variation is attributed to the role of state policy and its intervention on tourism. The role of government is quite substantial for the growth of the tourism of a country. Building support infrastructure, providing accessibility, creating a favourable environment for investment in the industry, and offering incentive to investors are the major initiatives by the government to promote tourism at a destination (Uysal

& Crompton, 1984). The competitiveness and the sustained success of tourism are dependent upon the priority set by the government (WTTC, 2015).

# **Role of government**

Government plays the role of operator, regulator, investment facilitator, promoter, coordinator and educator (Zhang, Chong, & John, 1991; Qin, Wall, & Liu, 2011). India is a country with more than one billion people, one thousand languages, with a long-standing history and civilization spanning more than 5000 years (Draper, 2003). The country has a unique geographical characteristics with diverse climate, topography, religion, culture, and food (Roy & Tisdell, 1998). India as a tourism destination, currently attracts 1.18 percent share of international tourist arrival in the world (Ministry of Tourism, 2017) after the persistent efforts made by the government. India's great potential for tourism had been observed since pre-independence era and later the supporting initiatives taken by the successive government through various five-year plans.

An in-depth understanding of the role of the government in tourism during the past and present will assist the tourism planners and business operators in their planning process and promote India as a brand. The objective of the research is to analyze the role of government in planning, infrastructure development, investment, promotion, skill building, regulation of market through legislation, research and development in tourism, since country's independence.

# Methodology

A longitudinal data on tourism and its outcomes in terms of foreign tourist arrival (FTA), foreign exchange earnings (FEE) and its contribution to the nation's GDP is analyzed along with government policy and strategies towards tourism. The data on tourism policies, and tourism outcomes were obtained from various published contents of the Ministry of Tourism, International tourism organizations (WTTC, UNWTO), and private market research organizations. The data obtained were analyzed using compounded annual growth rate (CAGR), and the forecasting for future was done with the help of Trend analysis.

# Discussion

There is a no stable policy on tourism by the government of India after its independence. First tourism policy was declared in the year 1982, more than three decades after the independence of the country. National Action Plan for Tourism was introduced in eighth five year plan to promote tourism in India during the year 1992. Later, 'New Tourism Policy' is enacted to support the tourism in the year 2002 to maximize the socio-economic benefits earned by the country. The government of India had come up with new tourism policy draft which is yet be implemented. As a policymaker, the government had come up with few policies, which helps Indian tourism to succeed to an extent.

Skill development and capacity building in terms of human resource initiative were started during the first decade of India's independence. First IHM was established in Mumbai by a women non-government organization, later undertaken by the government of India to provide skilled manpower in Indian hospitality industry. Currently India has 42 IHM's, ten FCI's, one ICI, one mountaineering and five institutions dedicated to travel and tourism and the present government also initiated various schemes in this direction. Initiatives taken by the government concludes that government showed its keen interest to develop skilled manpower

in tourism and hospitality sector in the country. The managerial and the professional capabilities of Indian hospitality professionals have been accepted and acknowledged worldwide.

Tourism infrastructure in terms of roads, airline, and railways services for connecting destinations. Building botanical gardens, zoological parks, wildlife sanctuaries, tiger reserves and amenities in the places of tourism importance for both domestic and international tourist got its own importance in all the five-year plans since the second five-year plan. Tourism infrastructure development got a major boost not only by the allocation made to the Ministry of Tourism but by other ministries such as Ministry of Road Transport and Highways, Ministry of Aviation, Ministry of Urban Development, Ministry of Railways, Ministry of Human Resource, and Ministry of Communication to name a few. The government's role in infrastructure development during the past and present will act as a major source of advantage for the country to meets its future tourism requirements.

In terms of investment in tourism after independence, not major funding was allocated in the first five-year plan, later funds were allocated during different plan periods. After the first tourism policy was proposed during 1982. there was a manifold time increase in investment by the government. TFCIL a tourism investment and lending institution helped in creating 1/3<sup>rd</sup> of the total hotel room capacity by allowing credit and long-term loans in tourism. During the launch of Incredible India campaign and its promotion in the year, 2002 investment by the government was considerably high. The successive government later on also increased the investment for tourism by a double or threefold time which interprets that the government has pragmatically invested in tourism considering the expected returns from the sector.

The role of government in the marketing of tourism is evolving in nature. The promotion of tourism started by establishing the tourism offices in India and abroad. Currently, the ministry has 14 international tourism offices located globally. For promoting domestic tourism, the government established five regional office and 15 sub-regional offices across the length and breadth of the country. For new product development in tourism, the area of priority evolved from the culture, heritage, national monuments, wildlife, winter tourism, mountaineering, beach tourism, pilgrimage, rural tourism, medical tourism, wellness tourism and adventure tourism. Two campaigns that helped India to become a global tourism brand are 'The Incredible India' and 'Eternally Yours' as it is a paradigm shift in country's approach in marketing tourism (Kant, 2009). The Incredible India campaign launched in the year 2002 presented series of images on Indian architecture, landscape and the way of life of people to emphasize diversity and exoticism to western tourist resulting in higher FTA (Hannam & Diekmann, 2010). The current government have proposed a campaign "Incredible India, 2.0" to promote the country as a "Must Experience Destination" amongst foreign travellers. Social media has been very effectively utilized for promoting tourism in the country. Considering the past, government's role as a promoter of tourism is a quite distinct after 1992. Currently, the government actively engaging in the identification of tourism products and its promotion.

Government played an important role as a regulator of the tourism business in the country by taking initiatives in classification and approval of hotels, restaurants, tour operator, and tourist transport operators. The government role is limited as a regulator of tourism in India.

Research and development are important for the planners and policy makers for which Ministry of Tourism annually comes up with "India Tourism Statistics" detailing about domestic and international tourism, and classified hotels across the country. The annual report is been

available after 1991 though earlier only a decade-long statistics from 1950 is only found. A brochure "Tourism Statistics at a Glance" is also brought by the government along with month wise figures of FTA and FEE from tourism.

# Conclusion

In summary, the role of government in tourism has evolved as a marketer from the regulator in the past. The transition helped the government to reap the benefits in the present, its current tedious effort will lead India to be a recognized as a most favoured tourist destination in the future.

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# BRANDING GEOGRAPHICAL INDICATION (GI) OF FOOD AND ITS IMPLICATIONS ON GASTRONOMIC TOURISM: AN INDIAN PERSPECTIVE

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# Abstract

Tourism and food shares a symbiotic relationship. Gastronomic tourism act as a differentiator that aids in attracting tourists to a destination. India has an array of food like its culture. Geographical Identification (GI) based branding of food is an emerging trend across the world. The objective of the research is to analyze the present trends in GI tagging of food in India. The finding shows that India has few GI food products far behind its' potential and gastronomic tourism has minor representation among tourism offerings.

Keywords: Geographical Indication (GI), Gastronomic Tourism, India, Food, Branding

#### **Introduction:**

Tourism along with travel is a key driver for economic development and creation of the jobs around the world. The direct contribution of tourism towards GDP is about US\$2.3 trillion and indirect and induced contribution is US\$7.6 trillion (WTTC, 2017).

There is a steady increase in FTA during last decade except for the year 2009. There is a steady increase in the tourism and hospitality industry's contribution towards GDP, which stood at 9.6 percent in the year 2016 with the CAGR of 9.72 percent. The domestic tourism in India had double-digit growth. However, sustaining the tourism demand and the benefits earned from tourism in India as a destination is a challenging task for tourism planners and marketers.

Continuous innovation, new product development and optimal use of available tourism assets is a key to sustain the benefits derived from tourism. The gastronomic richness of India is an untapped tourism asset which can be promoted and branded as a niche tourism product. Food is an immaterial cultural heritage that helps in differentiating locations and enhance the reputation of the destination. Food can be used as a tool for branding and positioning of a destination (Cavicchi & Stancova, 2016).

# **Review of literature**

Tourism planners need to diversify the tourism products which include local food and beverage which represents the culture of the destination (Okech, 2014). Many researchers suggest that local foods associated with the specific region are a valuable source of differentiation (Rusher, 2003; Upadhyay & Sharma, 2014; Jolliffe, 2012).

Food plays an important role in tourist experience in a tourism destination. It links the tourist with the destinations' heritage, culture, and communities (Skift, 2015). Exclusivity of the food at a tourism destination may help in providing an authentic experience for the tourists (Chi, Chua, & Karim, 2013; Skift, 2015).

Distinctive local food products can be a branded asset for a destination. The brand serves as a reliable signal of quality when the consumer lacks in expertise and time to access the quality of the food. (Han, 1989). A unique and authentic local food contains all these features except the ownership.

GI products promote opportunity for creating employment, reduction of rural migration to cities, empower the local community, conservation of biodiversity and environment, preserving traditional knowledge and know-how on production and processing, creating awareness of heritage, valuing the nature and stimulates belongingness among the community (Vats, 2006). GI is a symbol which is used on products which are of specific geographical origin having certain qualities, specification and reputation which are distinct to the place of its origin (Sati.Y.R, 2003). As the quality of the product rests upon the way of production and the geographical location, so, there is a distinctive link between place of origin and the product (Rahmah, 2017). GI food and beverages have established a niche market of their own. Some well know GI products examples are Champagne from France, Scotch whiskey from Scotland, and Washington Apple from the USA.

Geographical Indication of Goods Registration and Protection Act 1999 defines GI as "an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristics of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be(GI Act 1999). Under the act, any group of individuals, organisations, producers or any recognized authority will be the legal owner of GI (Gopalakrishnan, Nair, & Babu, 2007).

Countries like France, Italy and Spain have utilized the maximum potentials of GI. France earned about  $\notin$ 19 billion, that is almost of 10 percent of the national food market, Italy earned about  $\notin$ 12 billion from its 430 GI's and while Spain earned  $\notin$ 3.5 billion within the decade of enactment of TRIPS agreement (Vats, 2006). India, a country with vast tourism resources have various natural, historical, cultural and gastronomic products. India has an array of food like its culture, each state and regions of the country have its own distinctive food products which are capable of being a distinctive tourism product. However, India is been known for its spices and not by its rich gastronomic heritage (Jolliffe, 2012). The knowledge and exposure of international tourist on Indian cuisine are limited (Babu & Gade, 2014).

Hence, the study is taken with the objective to analyze the present trends in GI registration of food by the states and union territories of India, states preference and priority towards gastronomic tourism, its interventions for branding and promoting GI' tagged foods as a tourism product.

# Methodology

The data on growth of state wise GI tagged food and agriculture products since its inception in India, the presence of food in various state government's tourism marketing campaigns, government policies and initiatives towards gastronomic tourism in India is analyzed. Data on listed GI since the enactment of GI Act 1999, is collected from the website of Government of India (*http://www.ipindia.nic.in/gi.htm*). The data was last updated on 25 October 2017. While taking the frequency of GI, both logo and word of the particular product are considered as a single GI. To analyze the state government initiatives to promote gastronomic tourism, availability of content on local food in the website and the social media sites like Twitter, Facebook and YouTube of state tourism board were collected on the time frame between October to November 2017. Content related to local foods in the form of detailed description on local food delicacies, recipes, photos, and videos is considered that concerned State/ Union Territory in India has the intention to promote local food. Any suggestion, guidance on locations of local food or in the form of tourism package in their communication is considered that the concerned states are keen to promote gastronomic tourism.

# Analysis and Discussion

The secondary data was collected from the reports of Government of India, such as registration details of a geographical indication, state wise GI assets in each category and the presence GI food attractions either in the category of foodstuff or agriculture products in various promotional media. There are 301 GI registrations until 24<sup>th</sup> October 2017 in India. After the enactment of GI Act.1999, three GI were registered during 2004-05 that consist of two handicrafts and an agriculture product. During the year 2008-09, India witnessed the highest number of GI with 45 registration. The result discloses that significance and commercial importance of GI are unexplored and underutilized in India to its potential.

Out of 301 registered GI in the country, the maximum number of GI is given to handicrafts with the highest number of 176 followed by 87 agricultural products. The share of natural products in GI registration is the lowest with a single registration only. Karnataka has the highest number of registered GI. The first registration of GI in Karnataka started in the year 2005-06. The state has a second highest number of GI registration for agriculture and handicraft with 16 and 19 respectively. Maharashtra has the second largest number of GI registration of which 23 are of agricultural products. Tamil Nadu has the highest number of GI registration of handicrafts which total to 20. The GI of Basmati is shared between Uttar Pradesh, Punjab, Delhi, Haryana, Himachal Pradesh, Uttrakhand, Jammu and Kashmir. Same way Phulkari a handicraft GI is shared between Punjab, Haryana and Rajasthan. The representation of India's foodstuff in GI is quite low with just nine. Countries like Italy, France, Peru, Mexico, United Kingdom, and the United States of America also have registered under GI Act 1999 of India.

The state government intervention and their initiatives towards the promotion of local food are evaluated by collecting the data from the websites and social network sites of concerned state government. If any material related to local food of the state is been displayed, it is considered as the respective state is giving priority to the local food and gastronomic experience in their tourism marketing. The data were collected between October to November 2017 from state government websites and accounts in Twitter, Facebook and YouTube of state tourism board.

It is inferred that except few states, many states of the country is actively promoting their local food but only a few states were promoting the gastronomic tourism. Except for Delhi, other Union territories of India have low priority to their local food. The states like Karnataka,

Kerala, Uttar Pradesh, Telangana, Rajasthan, West Bengal, Madhya Pradesh, and Delhi uses all internet based media for the promoting their local cuisine. It is also observed that states like West Bengal, Andhra Pradesh, Rajasthan and Mizoram also promotes GI tagged foods, agriculture commodities and handicrafts in their tourism marketing communications.

India, a country with vast diversity has a rich culture, heritage and variety of local cuisine which can satisfy the palate of the local community and any new visitor. Each state, region, cities and even villages have its unique food culture which is loved by both locals and tourists. The government of India had initiated a legal protection for safeguarding and branding of local food, agriculture, textile, handicrafts and natural products by GI Act 1999. After the enactment, 301 GI's were registered with Registrar of Geographical Indications of India till October 2017. Except for few states, the promotion of GI among tourist by the states is very low. The share of Indian local food in total registered GI is a paltry 2.9 percent. The result reveals that GI tagging of food in India has not been utilized to its maximum potential and many states in India have not realized the commercial value of it. The findings of the study are in line with the findings of (Cavicchi & Stancova, 2016; Aggarwal, Singh, & Prashar, 2014; Mogol, 2015). In India, the direction towards maximizing the benefits of GI is minimal and insignificant. Some of the reason attributed to inefficient use of GI is low awareness among state government (Kanungo, 2016), insufficient marketing efforts by the small manufacturers (Aggarwal, Singh, & Prashar, 2014), consumers (Aggarwal, Singh, & Prashar, 2014; Vats, 2006), and obscured nature of Indian GI, and GI itself. Absence of distinct visual identity, aesthetic, phonetic and functional element in GI, makes itself as a 'pseudo brand' that creates many disadvantages in realizing the potential of GI (Aggarwal, Singh, & Prashar, 2014). In terms of promotion, many states of the country are actively promoting their local food, except few states. The effort to promote local food in union territories and northeast states are quite low though these regions have great potential. Gastronomic tourism has still not occupied the main stage that it actually deserved and still it is a small chunk of the pie (Kumar, 2016).

# Conclusion

Creating demand through product differentiation and innovation is a key to sustain economic, socio-cultural and environmental benefits from the tourism. Effectively incorporating local food will yield many benefits for the destinations and its stakeholders other than providing an authentic experience to tourists. The commercial significance of GI is unexplored in many countries and India too suffers from the same issue even though it has great potential. Branding through GI of possible local foods, promotion and communication of regional cuisine in all possible communication channels, and creating awareness among tourist with suitable policy support will take India to greater heights.

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# INVESTIGATING THE EFFECTIVENESS OF INTEGRATED MARKETING COMMUNICATION CHANNELS AND CONTENT USED IN VOLUNTEER TOURISM

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# Abstract

With today's competitive business world, complex consumer's decision-making and advanced technology, businesses/not-for-profit organizations must be competitive. This study investigates the most effective marketing communication channels (offline/online) and content (visual/verbal) used by volunteer tourism organizations to promote their volunteer tourism projects. Five volunteer tourism organizations were interviewed on volunteer tourism projects including the target audience, marketing communication channels and content used in each project, and the outcomes of using those marketing communication channels and content. Findings from this research provide insights to help volunteer tourism organizations in determining the most appropriate integrated marketing communication channels and content within their available budget.

Key Words: volunteer tourism, marketing communication channels, content, volunteer tourism organizations, effective integrated marketing communication

# TOWARDS A BETTER UNDERSTANDING OF HIGHER EDUCATION IN TOURISM AND HOSPITALITY MANAGEMENT IN CHINA

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# Abstract

The steady and substantial growth in domestic and international tourism in China stimulated an unrivaled expansion of study offers in higher education (HE) institutions in China. Does this quantitative growth over the past 30 years leads to differentiation, positioning and competitiveness? Since studies about the tourism and hospitality management education in China are rare and mostly dated, this research is conceived to shed light on the current landscape of study programs offered by colleges and universities. Through a content analysis of a sample of 40 different curricula structural characteristics are elaborated that allow comparisons across institutions and the two majors hospitality and tourism management. While the lack of transparency of program objectives, career goals, teaching and learning methods and course details is prevailing, the dominant concern appears to focus on sufficient and adequate practical training and education. The critical discussion on redesigning curricula towards a better balance between vocational and liberal ends as well as more reflective competencies, a trend that started seriously in Western countries at least 20 years ago, did not really took off yet.

#### Keywords: curriculum analysis, philosophic practitioner, transition.

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# Introduction

Anecdotal evidence could not sketch the dilemma in a better way that higher education in tourism and hospitality management in China currently faces: Students (and their parents probably even more) do not choose university studies in this subject area voluntarily because of the bad reputation jobs in this sector appear to have. On the other hand, HR managers do not mind which major graduates took during their studies as long as they arrive with the appropriate

attitude and work ethic. Our claim in this study will not follow the somehow unidimensional views of some scholars, who urged for a more scientifically designed curriculum (Zhang, Lam, and Bauer, 2001) or for a complete knowledge about hospitality management (e.g. about food preparation and hygienic food management; Li and Li, 2013) or who critically mentioned that graduates from top-tier universities do not want to work in the hospitality industry.

The 3rd China Tourism Education Association Annual Conference and International Forum on Tourism Education held beginning of December 2017 in Guangzhou, China, highlighted already a new horizon for the educational sector. Reports and reviews from many different countries (represented at this conference) emphasized that the array of stakeholders involved has to be extended beyond students, academia, and the industry. Publications about the higher education situation in China of the past 10 to 20 years focus mainly on the divide upon industryrelevant knowledge and skills and more generic, personal competencies. The conference also addressed and reflected this central issue. However, it went on pinpointing that tourism and hospitality as a global phenomenon has a wider perspective and responsibility for every society on this globe. In the Western world, the critical debate on the role and design of higher tourism and hospitality education started already more than 20 years ago. The BEST Education Network (www.besteducationnetwork.org, 2018) e.g. emerged from this endeavor committed to furthering the creation and dissemination of knowledge within the field of sustainable tourism. In 2007, BEST EN launched the Tourism Education Futures Initiative (TEFI, http://tourismeducationfutures.org/, 2018), which seeks to provide vision, knowledge and a framework for tourism education programs to promote global citizenship and optimism for a better world.

In China, the curriculum frameworks for any academic degree (called: major) are centrally developed by the government. Until recently, it was only possible to offer a hospitality management program under the major of a tourism management study. Tourism management is exclusively classified as a business management major, irrespective of the real structure and shape of the study program, which is mainly designed following the available resources and strengths of particular colleges, schools or faculty. There is no differentiation between a bachelor of science, a bachelor of arts or a bachelor of business administration orientation of the study program. Neither mission statements, study objectives, competence profiles of graduates nor detailed curricula information is transparent in China.

Against this background, this study sets out to briefly review the debate on curricula development in the hospitality and tourism management domain with particular emphasis on China. It contributes with profiling the current state of hospitality and tourism curricula at colleges and universities based on a sample of 40 out of 1,700 programs in higher education in China. The discussion section assesses this status from a "Western" perspective, which already looks back to a fruitful discussion and changes towards a more value-based approach to education.

# Literature Review

A comprehensive review of the situation of higher tourism education in China was published about 10 years ago (Gu, Kavanaugh and Cong, 2007). The authors screened a sample of 67 tourism education institutions in 2004 by sending out questionnaires to these institutions. History and scale of the programs, profiles of their students and faculty socio-demographics were topics covered by this empirical study. Yet, this article also addresses a couple of current issues related to curriculum design and positioning. Another study by Penfold, Wei and Ladkin

(2012) summarizes more recent developments in China, yet their study focuses on perceptions of students and faculty members of only one institution.

The following five topics emerge from both review articles with an emphasis on the situation prevailing about 5 to 10 years ago in China.

1. Employability: Overall, the hotel industry does not appear to be attractive to graduates. Most of them consider a starting job as a gateway to a job with a higher status. Graduates miss to develop a life-time career commitment, which, consequently, increases the turnover rate in hotels. This is partly attributed to a lack of orientation and guidance that schools should offer to students and graduates and, hence, is closely related to

2. Lack of industry relations: Schools do not provide career direction and guidelines sufficiently and lack a strong internship network to facilitate students' future work in the tourism industry.

3. Focus on practical training and skills: While authors from Western countries started critically questioning the extent of practical, technical and business interests (Tribe, 2001) and a lack of "mindful managers" (Moscardo, 1997) with critical skills and a reflective management practice (Schön, 1983), publications about China call for more and better practical training provided for the students (Lam and Xiao, 2000). This deficiency coincides with a reported lack of faculty qualifications and a lack of scope and professional as well as international experience (Gu, 2003). This particular tension can be seen as part of a broader category of problems. 4. Professionalism of curriculum development: Among other aspects, the following issues were recommended to tackle: written learning outcomes and module descriptors; programs should have an industry advisory board; better quality teaching material should be available; programs should not follow the availability of current faculty experiences only; and special attention should be drawn to foreign languages, information technology, practical skills and personal development. A final group of critiques can be bundled under 5. Industry stake: The hotel industry's recruitment system need a reform together with their salary schemes.

The current study tries to update and assess the curricula landscape of higher education in China. Through a content analysis of available curricula data from a sample of hospitality and tourism management programs the following research questions are addressed:

RQ 1: In which respect hospitality and tourism management programs differ between colleges and universities?

RQ 2: Do hospitality and tourism management programs have much in common or show a distinct profile?

RQ 3: Which role does skills development and practical training play in these programs?

RQ 4: Are there developments towards a balance between action vs reflection and vocational vs. liberal educational goals?

# **Research Questions and Design**

A current status of programs in hospitality and tourism management offered by colleges and universities was compiled from queries on the official website about student admissions through the Gaokao (the centralized college and university entrance; Beijing Xueersi Training School 2017) system. Table 1 summarizes the program offers differentiated by type of institution (college vs. university), main emphasis (hospitality vs. tourism management) and by provinces. It was decided to draw a disproportional clustered (by selected provinces) sample of ten program curricula in each of the four groups with a medium scale of regional dispersion: 17 out of 30 provinces are represented with at least one curriculum. Hence, the sample data cannot claim to be strictly representative. However, it provides variation across several different types of provinces, across different types and different sizes of colleges and universities.

An additional restriction or barrier in the entire research process has to be mentioned. It is quite uncommon that universities release details about their study programs. In most cases, the information provided on their websites is limited to a list of undergraduate and graduate programs they offer. For the purpose of this research, it was not possible to collect reliable and insightful information about the details of the official "major" program from their websites. More details about curricula structure, internship requirements, course titles, instructors, learning outcomes and targeted graduates' profiles could not be collected in a systematic manner. Most contacted faculty members – and even deans – refused delivering this kind of information.

		Hospitality Management Major University College			Tourism Management Major University College				
	Total	#	Sample	#	Sample	#	Sample	#	Sample
湖北 Hubei	108	8		34	1	23	-	43	1
河南 Henan	105	6		36		25		48	
江苏 Jiangsu	105	10	2	31	2	23	3	41	1
山东 Shandong	96	4		22	1	19		51	1
安徽 Anhui	87	5	1	33		12	2	40	
四川 Sichuan	87	4		20		23		40	
广东 Guangdong	87	5	2	19		30	1	33	1
湖南 Hunan	83	7		22		29		25	
河北 Hebei	80	0		24	1	15		41	1
江西 Jiangxi	68	3		22		13	1	30	
广西 Guangxi	62	3		28		13		28	
浙江 Zhejiang	61	2		19	1	14		16	1
黑龙江	58	2		17		16		23	
Heilongjiang									
陕西 Shaanxi	55	1		15		19		20	
辽宁 Liaoning	57	4		16		15	1	22	
福建 Fujian	56	7	2	11	1	13		25	1
重庆 Chongqing	50	6	1	13		18	1	13	

Table 1 Hospitality and Tourism Undergraduate Programs at Vocational Colleges and Universities in China 2017

山西 Shanxi	50	3		21	1	13		13	1
贵州 Guizhou	45	4		13	1	10		18	
北京 Beijing	39	4	1	6		15		14	
内蒙古	37	1		15		7		14	
Neimenggu									
吉林 Jilin	36	3		9		15		9	
新疆 Xinjiang	31	1		7		11		12	
云南 Yunnan	31	2		8	1	10		11	1
海南 Hainan	31	4		11		5		11	
甘肃 Gansu	25	4	1	5		7		9	
天津 Tianjin	24	5		2		11		6	
上海 Shanghai	20	6		1		12	1	1	1
青海 Qinghai	6	0		1		3		2	
宁夏 Ningxia	6	0		1		2		3	
西藏 Xizang	4	0		0		2		2	
Total	1,703	114	10	482	10	443	12	664	10

Source: http://college.gaokao.com/schlist, 2017.

#### Results

There are different options to study hospitality or tourism management in a higher education institution in China. In terms of numbers, colleges offer the majority with 664 tourism management and 482 hospitality management programs representing two thirds of the entire offer. At universities, 443 tourism and 114 hospitality management programs can be found. While at colleges, the hospitality programs take a share of 42%, at universities this proportion is as low as 20%. Colleges commonly offer 3-years' programs awarding a diploma to their graduates. Universities run bachelor programs under the broader category of business studies lasting for 4 years. Graduates are awarded a bachelor certificate. It is until recently, that institutions of higher education were not able to offer hospitality and tourism management programs under different major numbers since only one unified curriculum framework had been developed and approved by the government so far. Within this official framework only a very small number of subjects and courses were defined to be compulsory. Institutions could define their own detailed curriculum based on some guidelines specifying only larger subject domains.

Gu et al. (2007) reported on the significant growth of this particular educational sector during the past 40 years. They characterized the phase between 1986 and 2004 as the Growth Phase and the period after 2004 as the Mature Phase. In product lifecycle terms, the maturity phase is commonly paralleled with product differentiation and with market consolidation. Due to the lack of comparable statistics on the number of higher educational programs, it is only possible to refer to expert opinions, who reported partly an increasing overall number, but also a selective elimination of hospitality and tourism programs with declining overall student numbers during the past decade. This has been partly driven by a reduction of overall numbers in the university entrance generation due to a change in the population pyramid.

College programs with a duration of three years follow a similar pattern irrespective of the major subject (see Table 2): Average teaching hours are about 2,100 units, which is an equivalent of about 28 units per week and semester (excluding semesters with internship). However, the variation is substantial with a minimum of 1,635 and a maximum of 2,566 hours. Internships can be found in about 50% of the curricula in only one semester, the other 50% require internships in two semesters, yet not fully occupying the entire semester workload. On average, internships last for about 650 hours. Taking these working hours as equivalent credit hours the share of these internships take about 24% of the curriculum. This share can be as low as 9% and in other programs as high as 41%. In addition, the screening of the curricula data tried to identify courses with practical training components. Considering such courses (including electives and practical language courses), the share is about 40% with the total hours of supervised (classroom) teaching as the reference. Since the analysis did not take the credit weight of each course into consideration it can be expected that the reported share is somewhat lower since practical training courses take usually fewer weekly hours. Anyway, the variation among the different programs is substantial from 14% minimum to 59% share as maximum.

University bachelor programs, in contrast, show total teaching hours of around 2,600 hours with a large variation between 2,200 and 3,500 hours. The average weekly teaching hours per semester (excluding internship semesters) are 23 (in tourism management programs) and 27 (in hospitality management). This average is a rough approximation since many programs shift the internship activities of their students to multiple semester breaks. These internship requirements vary substantially across different programs. In tourism management curricula, compulsory hours are substantially lower (489 on average) with a share of only 16% within the entire curriculum. The absolute duration as well as the share is much lower compared to college programs. Moreover, the share of internship periods can be close to zero in some programs. In hospitality programs, the internship hours (704 hrs.) are slightly above the average of those in college curricula. However, the share of 20% of the complete study program is still lower. Here as well, some universities prescribe only one or two weeks "work experience" in companies. Considering other practical learning opportunities embedded in regular course work, the share of this type of courses ranges between 17% and 25%, which is much lower than the share calculated for college programs. However, some programs in either institutions, colleges and universities, put much emphasis on such practical training opportunities where the weight (in terms of number of courses) is even higher than 50%.

	Colleges HM	Colleges TM	Universities HM	Universities TM
Sample size	10	10	10	12
Average teaching/credit hours	2094	2096	2723	2526
Min.	1635	1794	2208	2208
Max.	2566	2387	3343	3475
Average weekly teaching hours per semester	28	28	27	23
(excluding internship semesters)				
Average internship hours (1 week = $30$ hrs)	668	630	704	489
Average proportion of internship hours	24%	23%	20%	16%
Min.	9%	13%	1%	2%
Max.	41%	35%	38%	26%
Average proportion of practical teaching hours / supervised learning	40%	38%	25%	17%
Min.	14%	20%	12%	6%

Table 2 Overall Scope of Teaching and Practical Education in Hospitality and Tourism Programs at Colleges and Universities (RQ 1 + 3)

]	Max.	56%	59%	54%	59%

#### *Note:* HM = hospitality management, TM = tourism management

The following structural analysis (RQ 2) of the sampled study curricula is mainly based on the compulsory part excluding those mandatory subjects common to every study program such as Contemporary History of China, Introduction of Mao Zedong Thought, Moral Character Cultivation, Principles of Marxism, Military Education, Physical Education, Principles of Management, Mathematics, Fundamental of Computer Application, and College English. In college programs, the elective part of the curricula appears to be very limited: less than 5% of the total curriculum on average. In contrast, at universities, students have multiple options: 1. Many universities offer further specializations within the large domain of tourism management majors: one option is hotel or hospitality management; others are event management, sport management or tour operation or tour guiding. 2. Curricula frequently offer groups or blocks of courses among which students have to choose one complete or several blocks with a minimum number of credits and courses within each chosen block. 3. Further flexibility is granted through opportunity of selecting from a restricted or sometimes unrestricted list of elective courses. Due to this huge variety of options, it is only reasonable to focus on a comparison of the compulsory components of these curricula.

The attempt to structure these compulsory components follows a pragmatic approach to address the research questions raised in the previous section. Eight groups of subject areas – partly following Wang et al. (2010) and Ring et al. (2007) – are defined with a gravity (no sharp boundaries) for one of the four quadrants the two dimensions of the philosophic practitioner span: action vs. reflection and vocational vs. liberal (Tribe, 2002). One group picks all generic functional areas that commonly define Business Administration core subjects: these include management, human resource management, marketing, accounting, finance, economics, statistics; classified as mainly vocational-action. Similarly, we find sector specific knowledge, concepts and skill development courses, which are grouped into Hospitality and Tourism Management groups.

Communication and Personal Skills can be seen as purely skills development and technical training. These subjects, however, frequently open the floor for reflection and personal development. It is this reason why this group of subject is considered already with a higher gravity into reflective-action components of a curriculum. A similar line of thought underpins the grouping of Career and Internship related courses, which carries an ambiguous valence between action and reflection In contrast, the third group of subjects, labelled as Creativity and Innovation, should carry a clear dominance towards reflection development. Any innovation, development, planning and research related course subjects are grouped into this category.

Courses transcending the narrow boundaries of a particular sub-sector (such as hotel or resort industry or tour operator or airline industry) with a multi- or cross-disciplinary approach are considered to contributing to a broader – liberal – reflective capacity building. Subjects like regional economy, geography, anthropology and culture are therefore grouped into this cluster. Where courses open the mind for improving wellbeing aspects of stakeholders others than company owners a separate group of subjects is reserved under the label of liberal-action.

The following table 3 summarizes the variety (# of different) courses found in the sampled curricula as well as the density or weight (# of average courses) given to the respective group of subjects. The spread (minimum and maximum # of courses) reflects the differences in

curriculum structure, which is due to the institution's individual design and profile given to their study programs. The mode value implies a tendency of the density parameter or the most frequent number of courses within the respective group of subject. The percentages express the approximate weight of the respective subject group taking only the compulsory parts of the curriculum into account.

Tourism and hospitality programs at colleges do not emphasize much on a comprehensive management and business administration education (see Table 3). At some institutions, it is even not a compulsory element at all. On average, only 2 to 3 courses are mandatory with a significant lower weight given within the tourism management programs. In contrast, bachelor programs at universities offer not only a much larger variety of business administration topics but also three times more compulsory courses compared to college education programs. Hospitality curricula put much more emphasis on elementary managerial knowledge than tourism management programs.

In the field of Hospitality Management courses (see Table 3) colleges focus most on the different functional (e.g. marketing, sales, HR, information management) as well as service areas (e.g. front office, food and beverage, housekeeping, banquet) in their hospitality management curricula. On average, they dedicate about 10 courses. As can be expected, this subject group plays a minor role in their tourism management programs. This pattern is similar at university bachelor programs, yet, at a much lower rate.

A different structure can be seen in the supposedly core subject area for the Tourism Management group of courses. These subjects play a subordinate, almost negligible role within hospitality management programs. However, they are very pronounced within the college curricula in tourism management with 11 courses on average. Surprisingly, same bachelor curricula at universities show a huge variety of courses on offer but with a less than 50% weight compared to colleges. Some universities do not even prescribe compulsory courses in tourism management.

This group of course subjects mainly cover the development of (spoken) language capabilities with a dominance of English and Mandarin on second rank. No other skills like presentation techniques, group discussions, negotiations, particular business communication can be found in the curricula. At colleges, three to four courses on average are dedicated to improving – mainly – language capabilities. At universities, only half of this emphasis can be found. Moreover, there are programs without any such courses.

In most of the college and university programs, some preparation courses for internships and/or outlook for career planning are made compulsory. At universities, there is slightly reduced emphasis on guiding and helping students for their future career. Courses, which explicitly foster creative thinking and problem solving capabilities can be rarely found. Within college programs, they are not present at all. At universities, the majority of courses are research related. Only one among 16 courses explicitly focuses on innovation and entrepreneurship. Complementary subjects, which add different disciplinary perspectives (RQ 4), are also rare. They are more pronounced at tourism management programs mainly considering geographic and cultural topics.

The last group of course topics cover the liberal action dimension of the concept of the philosophic practitioner. Within this quadrant, courses discuss and develop knowledge related to policy and planning for "a better world". Courses fitting into this category can be scarcely

found in hospitality and tourism curricula in China. In contrast, the analysis of Western tourism management curricula (mainly from UK and Australia) identified only 6% of courses with a liberal end (Ring et al. 2007: 112).

Table 3. Density and Variation of Courses in eight subject areas - Compulsory Curriculum

	Colleges	Colleges	Universities	Universities
Subject areas	HM	ТМ	HM	TM
Sample size	10	10	10	10
Business Administration	15%	10%	44%	33%
# different	9	7	30	31
Average #	3.2	2.2	11.0	6.3
Min./Max./Mode #	0 / 5 / 4	1 / 5 / 1	7 / 16 / 10	2 / 14 / 2
Hospitality Management	48%	6%	25%	8%
# different	34	7	25	11
Average #	10.2	1.2	6.3	1.6
Min./Max./Mode #	5 / 14 / 8	0 / 4 / 0	2 / 9 / 8	0 / 7 / 1
Tourism Management	7%	53%	15%	26%
# different	8	33	15	62
Average #	1.4	11.4	3.8	5.0
Min./Max./Mode #	0 / 5 / 1	8 / 14 / 11	1 / 10 / 2	0 / 10 / 5
Communication, Personal	15%	18%	9%	8%
Skills				
# different	11	11	15	11
Average #	3.2	4.0	2.2	1.6
Min./Max./Mode #	1 / 7 / 2	0 / 8 / 4	0 / 9 / 1	0 / 9 / 1
Career, Internship	9%	5%	3%	4%
preparation				
# different	4	4	1	2
Average #	1.9	1.0	0.7	0.8
Min./Max./Mode #	1 / 3 / 2	0 / 2 / 1	0 / 1 / 1	0 / 2 / 0
Creativity, innovation,	0%	0%	2%	9%
research				
# different	0	1	3	16
Average #		0.1	0.5	1.8
Min./Max./Mode #	0 / 0 / 0	0 / 1 / 0	0 / 2 / 0	0 / 4 / 1
Geography, Culture	1%	7%	1%	10%
# different	2	5	1	12
Average #	0.2	1.5	0.3	1.8
Min./Max./Mode #	0 / 1 / 0	0 / 4 / 2	0 / 1 / 0	0 / 3 / 3
Liberal action	0%	1%	0%	2%

# different	0	2	1	2
Average #		0.2	0.1	0.3
Min./Max./Mode #	0 / 0 / 0	0 / 1 / 0	0 / 1 / 0	0 / 1 / 0

Note: HM = hospitality management, TM = tourism management; # = number of courses within the compulsory part of the curriculum

#### **Discussion and Outlook**

In China, the curriculum frameworks for any academic degree (called: major) are centrally developed by the government. Until recently, it was only possible to offer a hospitality management program under the major of a tourism management study. Tourism management is exclusively classified as a business management major, irrespective of the real structure and shape of the study programme, which is mainly designed following the available resources and strengths of particular colleges, schools or faculty. There is no differentiation between a bachelor of science, a bachelor of arts or a bachelor of business administration orientation of the study program. Neither mission statements, study objectives, competence profiles of graduates nor detailed curricula information are transparent in China. It is quite uncommon that universities release details about their study programs. In most cases, the information provided on their websites is limited to a list of undergraduate and graduate programs they offer. Consequently, it appears difficult to develop higher transparency of the profiles and goals associated with different study programs at different HE institutions. The lack of transparency does not contribute to developing clear expectations and aspirations for all stakeholders involved: parents, future students, employers and teachers as well as administrators.

Curricula differ substantially between the two types of institutions and programs they offer. Yet, the variation of subject emphasis and variety within the respective institutions is so large that a clear and distinct profiling is not easy to establish. Practical orientation and skill development seem to be more pronounced at colleges. Universities put more emphasis on basic business administration subjects while reducing hours dedicated to either hospitality or tourism management courses and the development of personal skills and communicative competencies. Universities pay a little bit more attention on courses fostering creativity and innovation and insights towards geography and cultural differences. Overall, more choice and flexibility in choosing from elective courses prevail at universities. When comparing the hours dedicated to supervised instructions (mainly teaching in classrooms) it is striking that university bachelor programmes need 165 semester hours on average to complete a 4-years' programme. In many Western countries, bachelor programmes require 3 years of study with a classroom input of 70 to 85 semester hours in total. The differences can have various reasons and implications: Students mainly have to learn during classroom presence and not outside; learning materials are not available that allow efficient self-study approaches; students are not trained and prepared to self-study learning; instructors use inefficient teaching styles; or in contrast, the learning outcomes of Chinese bachelor graduates are of much higher quality than those of graduates of Western universities.

In terms of a balance of liberal vs. vocational and action vs. reflective orientation, the current curricula in China are still far away from a greater mix. The overwhelming majority of efforts are dedicated to vocational action related subjects and teaching. A study on Western bachelor programs showed evidence of liberal educational ends within 6% of the curricula (Ring et al., 2007). Different studies with a focus on employability and industry expectations show

diverging results: analytical skills, problem solving capabilities, flexibility and global competencies are ranked rather high (Jiang and Alexakis, 2017; Kim, Park and Choi, 2017). Yet, those competencies are still highly underrepresented in the existing curricula. Integrating the wider perspective of societal and environmental concerns into study curricula seems to be entirely in its infancy. In this respect, concerted efforts have to be deployed to develop public awareness and shared responsibilities to enable such fundamental changes in curricula objectives and to value their potential outcome.

The content analysis of curricula can only serve as one element in a comprehensive and thorough review and assessment of the overall competitiveness of HE in hospitality and tourism education. The lack of transparency is a major obstacle – not only for a more systematic investigation – in assessing the attractiveness, the quality and objectives of different programs. A clearer differentiation between the capabilities of colleges and universities and different program majors and specializations is recommended. The close cooperation with industry representatives could help strengthening the profile of individual programs and improving the employability of graduates paired with better and long-lasting career opportunities.

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# SEGMENTATION OF ELDERLY TRAVELERS BASED ON NEW-AGE VALUE ORIENTATION

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#### Abstract

This study applies the New-Age Elderly concept to explain the travel motivation of the elderly in Thailand .Four-hundred and twenty elderly respondents were classified into five clusters according to their new age elderly value orientation using K-mean cluster analysis .The results show that the five clusters are characterized by different travel motivation .By classifying the elderly into more clusters, rather than just only the New-Age Elderly and Traditional Elderly, this study provides more understanding about the concept of the New-Age Elderly that makes a contribution to both research in the area of the New-Age Elderly and for practitioners in the tourism industry.

#### Keywords :New-Age Elderly, travel motivation, market segmentation

#### Introduction

Thailand has already become an aging society .If considering the definition that an aging society is a society with more than 10 % of the population aged over 60 years old or with more than 7 % of the population aged over 65 years old then Thailand has been an aging society since B.E .2548 .Since then, Thailand has 10.4 % of the population aged over 60 years old and it is forecast that within the next 20 years Thai society will become a completely aged society because more than 20 % of the population will be aged over 60 years old or more than 14 % of the population will be over 65 years old .It is anticipated that by B.E .2571, Thailand will have more than 23.5 % of its population aged over 60 years old .In brief, Thailand will become an aged society within only 20 years) Chompoonuch, 2013.(

Domestic tourism is an activity that the elderly usually do in their free time since they do not have work or family burdens, plus they have financial security from their savings, either from working or public welfare .According to information from the Department of Tourism, the Ministry of Tourism and Sports has stated that in B.E2558 ., elderly travelers generated a national income of 195,891 million baht or %8.66 of tourism revenue .It is considered that 3,628,758foreigners generated 1 83,869million baht and 4,810,464Thai people generated up to 12,022 million baht) Manager Online, .(2017Thus, the elderly traveler market is an interesting market.

Elderly travelers have different forms and behaviors from general tourists, thus, understanding the behaviors and needs of elderly travelers would allow for the correct arranging of the target market that is suited to the area context .In the past, researchers tried to study the behaviors of elderly travelers and to categorize them by using certain variables .Schiffman and Sherman )1991 (for example have separated the New-Age Elderly from the traditional elderly .The new generation elderly feel themselves to be younger than their actual age and have a confident attitude that they can control themselves better .They take part in new experiences, seeking personal challenges and new adventures .Schiffman and Sherman) 1998( point out that setting the older consumers' value orientations is the most efficient market segmentation approach for the service market rather than the aging group approach .Next, Sherman, Schiffman and Mathur )2001 (developed and tested the reliability and validity of the NAVO scale which was the tool designed for the New-Age Elderly consumer and it had many benefits for elderly traveler market segmentation. The researcher was then interested to study the segmentation of the Thai elderly travelers market for domestic tourism using the NAVO scale to present any interesting results related to the characteristics of Thai elderly travelers in each market segment .This will provide a guideline for a marketing process targeting Thai elderly travels plus, be a guideline for academics and Thai researchers for further study .

## Literature review

This research is the market segmentation among the New-Age Elderly Travelers .The literature review mentions the concept of tourism market segmentation and the grouping of Elderly Travelers by using the New-Age Value Orientation scale as the measurement tool.

#### Tourism market segmentation concept

Tourism market segmentation is a way to group tourists and it is an issue that has gained much interest among academicians in the tourism sector) Bieger & Laesser, 2002; Koc & Altinay, 2007 .(This is because tourists have diverse and different needs, thus, the response of tourists on the same form would be impossible) Pesonen, 2012 .(Many tourism academicians define "market segmentation" as the technique used to group different markets into parts) Mok & Iverson, 2002; Park & Yoon, 2009.( Tourism market segmentation is used in marketing strategies to understand the relationship between tourists and destinations) Bloom, 2004 .( Moreover, tourist clustering is also used to help organizations realize the highest financial returns) Perdue, 1996(, and any destinations that look at tourists without grouping them can damage to the unit's resources, unable to make customers satisfied and carry out the wrong marketing strategy) Koc & Altinay, 2007; Bloom, 2004 .(

#### Tourist market segmentation forms

Tourist market segmentation has two basic principles :A Priori and A Posteriori )Mazanec, 2000( as follows:

1 (A Priori is the method where the researcher will group the tourists on the basis of pre-known characteristics including demographic characteristics and geographical scope.

2 (A Posteriori is the method where the researcher has never known about the characteristics of linkage among tourists with three following stages :1 (Survey Stage, 2 (Analysis Stage, and 3 (Profiling Stage .Therefore, this grouping method can define the clusters after processing the

results .The example of this grouping method is to divide the clusters from the basic psychological information, behavioral information, etc .

## Variables and techniques used in the study of tourist market segmentation

Tourist clustering usually applies the geography, demography, psychology and behavior variables to group the tourists .Demography and psychology variables are the most popular used, and then second, using behavior and geography variables )Tkaczynski, & Rundle-Thiele, 2010 .(

The most often used data collection methods in the study of tourist market segmentation are the survey, and by data collecting from in-depth interviews, observations, etc .The statistical values most popularly used in tourist market segmentation are Descriptive Statistics, and others that are usually used by researchers are Factor Analysis, Cluster Analysis, Analysis of Variance, and t-test etc) .Tkaczynski, Rundle-Thiele, & Beaumont, 2010.(

# Elderly Travelers grouping concept using NAVO scale measurement

## Subjective Age and Cognitive Age

Subjective age is the issue that the sociologists pay much interest to since on a personal level the meanings given to their entering into the aging period are different. Some may rely on the calendar year while some pay attention to body changing, status, social roles and this perception is diverse from person to person, experiences and different points of view .

The concept of subjective age was firstly presented by Tuckman and Lorge )1953( in their study of attitudes to the elderly .Next, the set of non-chronological age variables was developed according to the calendar year )Barak and Gould 1985 .(There is research on this subject by González et al) .2009( using the questions according to chronological age as the criteria for Elderly Travelers market segmentation .This is because many studies on the elderly and their psychology have shown that older people tend to see themselves as younger than their real age . There is also the explanation of subjective age in the definition of "Cognitive age", such as in the study by Mathur et al) .1998(, where it was found that the cognitive age of all clusters seems lesser than the calendar year age .It was also found that the difference between the subjective age and cognitive age among the "New-Age Elderly" compared to the "Traditional elderly" was 12 years.

#### *New-age elderly*

Shiffman and Sherman (1991) have defined the word "New-Age Elderly" to use in explaining the sub-segment that differs from the traditional elderly. The New-Age Elderly have different values, attitudes, and behaviors from the Traditional elderly - they love traveling to new places like those in younger groups and tend to participate in tourism adventure activities such as rafting etc. Mathur et al. (1998) defined that sub-segment of the New-Age Elderly using 257 samples from members of families with a Bachelor degree and higher education in Marketing aged more than 55 years old. The study results found that the average age of New-Age Elderly was 63.3 years old. The cognitive age is less than the chronological age by 12 years and found

that the directions set for New-Age Elderly are different from the Traditional elderly. New-Age Elderly are consumers with the power of decision to control their life, are satisfied with their health, have a good social life, love to learn new things and are happy with their own actions rather than the Traditional elderly.

## New-Age Value Orientation (NAVO) scale

NAVO refers to New-Age Value Orientation. The NAVO scale is a set of characteristics used to separate the New-Age Elderly from Traditional elderly, such as in the research by Schiffman and Sherman in 1991 on the subject of 'Value orientations of New-Age Elderly: The coming of an ageless market'. It was found that the group of New-Age Elderly has many differences in the aspect of value from the Traditional elderly. The group of New-Age Elderly feel themselves to be younger than their chronological age, plus, they are confident and control their lives better as well as joining to seek for new experiences, personal challenges and value orientation. There are important reasons for the marketer to respond more to the New-Age Elderly consumers. The research by Schiffman and Sherman in 1998 on the opportunities to market travel services to the New-Age Elderly showed that setting the direction of older consumers' value orientations was an approach for effective segmentation of service market segmentation. According to the research by Sherman, Schiffman and Mathur (2001) on the subject of 'The Influence of Gender on the New-Age Elderly's Consumption Orientation', one of the research objectives was the need to estimate the confidence value and the validity of the NAVO scale. It was found from the results that this scale had a high level of confidence value and validity, and so the NAVO scale was the tool designed to define the New-Age Elderly consumers and so it is very beneficial in the Elderly Travelers market segmentation.

For this research, the aim is for New-Age Elderly Travelers market segmentation for domestic tourism using the a posteriori segmentation approach with three operational stages, being 1) Survey stage, 2) Analysis stage, and 3) Profiling Stage.

In the first stage, the survey was made among a sample group of elderly using a questionnaire containing the questions developed from the NAVO scale. In the second stage, the data was analyzed via Factor Analysis, and last is to make the Cluster Analysis to define Thai New-Age Elderly travelers' market segmentation for domestic tourism. Next is to further analyze each market segment on how similar or different the motivation and behavioral intention on domestic tourism.

# Methodology

The four-hundred and twenty samples in this study are a group of Thai travelers aged between 60-80 years old in four provinces - Bangkok, Nakhon Ratchasima, Khon Kaen and Chiang Mai - obtained from judgmental sample randomizing for the distribution of Thai tourists ratio in these four provinces, aged over 60 years old (TGRI, 2014). The tool used in data collection was a questionnaire divided into four sections with first section containing the demographic questions, such as age, gender, work status, marital status, accommodation, income, and education levels. It was in the form of a check list. The second section was a set of 35 questionnaires based on the elderly values orientation with reference to the NAVO scale as in the study by Mathur (1998) with the characteristics of a 5-point Likert Scale. The third and fourth sections contain a set of questionnaires related to tourism motivation and behavioral intention in domestic tourism according to the research by Wong, M. (2013) and Li, M (2008) for 23 items and 12 items respectively in a 5-point Likert Scale.

## **Research result**

#### Factor analysis on New-Age Elderly value orientation

The researcher brings 35question items from the evaluation of value orientation in New-Age Elderly Travelers to be analyzed by the principle component analysis technique and axis rolling by the Varimax method .In the first stage, the researcher considered the relationship between the questions and Cronbach's Alpha Reliability where seven items were cut off from the analysis .Then, the 28 left were used to analyze the key components .The results showed that KMO was equal to 0.828 and communalities values were between 760. - 417.which is more than 0.4from all 28 items .

When considering an Eigenvalue that is greater than 1, we then can extract the seven factors as follows :1 .Capability to do things, 2. Lack of Confidence, 3 .Decisiveness as consumers, 4 . Adventure, 5 .Life Enjoyment, 6 .Shopping Enjoyment, and 7 .Acceptance of Aging .All the factor variation can be explained as 55.207 and factor loading value of all items are more than 0.4, the confidence alpha in all factors are between .486. - 756 .Thus, it can be concluded that 28 question items are suited and capable of separating the characteristics, and the researcher then used all seven elements from 28question items to be the analysis factor in the group segmentation.

#### Domestic Thai New-Age Elderly Travelers market segmentation analysis

Next, the researcher used the approach of K-mean Cluster Analysis to analyze the segmentation of elderly travelers into sub-clusters using 7 factors from the key components analysis .The result can segment the elderly into five clusters as can be seen in Table .1

Table 1 The clusters analysis results from seven factors for New-Age Elderly Travelers segmentation

		Cluster 1		One-way ANOVA			
	1 2 3 4 5 F					F	Sig.
1 .Capability to do things	.798	034	272	.501	467	26.286	.000
2 .Lack of Confidence	1.095	.173	365	-1.244	.393	99.764	.000
3.Decisiveness as consumers	.159	105	686	.186	.571	27.613	.000
4 .Adventure	.683	225	.070	.112	344	12.632	.000

5 .Life Enjoyment	.511	-1.209	143	.683	.421	88.180	.000
6 .Shopping Enjoyment	.445	.203	173	.328	455	13.104	.000
7 .Acceptance of Aging	342	.669	955	.627	.207	71.846	.000

Domestic tourism motivation analysis

In the same way as the analysis on the value orientation among New-Age Elderly Travelers, 23 questions on domestic tourism motivation were analyzed by the technique of key components analysis and circling the axis via the Varimax method .The results found that KMO was equal to 0.775 which reflected that the explored data are suited to be analyzed by this technique .When considering communalities of more than 0.4 for 22items(813. - 0.418), except one question is equal to 0.281, and factor loading value is more than 0.4 for 22items and only one item with a lesser factor loading than 0.4 this shows that the analysis result is within acceptable criteria.

When setting the Eigenvalues for not lower than1, we will be able to extract six factors as follows : 1 (For excitement and challenge, (2 To visit pre-historic sites/local culture, (3 To buy famous products, (4 To avoid chaos/rest/relax, (5 To tighten the relationship of family and friends, and, (6To visit hometown, friends and family .By calculating the factor score of all factors divided from the group of samples separated by the New-Age Elderly Travelers value orientation, we can conclude the domestic tourism motivation of each cluster as can be seen in Table 2

	(	Cluster Number of Case					One way ANOVA		
	1	2	3	4	5	F	Sig.		
Excitement and challenge	.472	275	010	.551	380	15.571	.000		
To visit pre-historic sites/local culture	.211	066	109	.003	.043	1.110	.351		
To buy famous products	401	226	.263	.527	186	11.880	.000		
To avoid chaos/rest/relax	.085	241	189	.234	.193	4.304	.002		
To tighten the relationship in family and friends	.193	042	322	.222	.109	4.580	.001		
To visit hometown, friends and family	.040	.084	195	195	.229	3.235	.012		

Table 2 The domestic tourism motivation of five clusters of Elderly Travelers

#### **Conclusion and Discussion**

From the analysis results in Table 1 and 2, we can conclude the characteristics of the five clusters as follows :

Cluster 1 showed a lack of confidence in decision making but they thought that they are capable of doing things, love adventure, and enjoying their lives .They preferred to travel for a challenge and excitement .Cluster 2 was the elderly who lacked life enjoyment and accepted that they are old .They are the least motivated to travel .Cluster 3 was the elderly who are likely to have negative attitudes in most dimensions, except that they do not think they are old .They traveled to shop for famous brands and products .Cluster 4 showed positive attitudes in almost all dimensions .They were active in traveling and were motivated by various reasons .This cluster can be identified as the New-Age Elderly as proposed in past research .Finally, Cluster

5 showed a high-level of decisiveness as consumers, and life enjoyment .They travel mainly to visit friends and family .

This research points out that the group of Elderly Travelers is not just separated only by the new-age and traditional elderly like studies in the past using Cluster analysis. This research points out that the elderly is a diverse group and can be separated into five clusters according to what factors they pay special attention to and which lead to the diversity in the various forms of travel .

As we understand it, the variety of the New-Age Elderly awareness of the differences between tourists is the key information for businesses or those with an interest in tourism for the elderly in Thailand when traveling domestically, seeking out destinations and tourism activities which are suited more for the needs of the target customers .This will form the competitive advantages that connect to sustainable development in the tourism business.

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# THE EFFECTS OF PERSON-ORGANIZATION ETHICAL FIT AND JOB SEEKERS' COGNITIVE DISSONANCE ON THEIR INTENT TO APPLY: AN EXAMPLE OF HOSPITALITY

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# **Extended Abstract**

Job seekers have many factors to consider in their job seeking activity. Salary and corporate social responsibility (CSR) are both important indicators (Wen, 2017; Kim & Park, 2011). CSR has also received more and more attention recently (Liao et al., 2009) and it also become an important method for enterprises to establish their image (Zairi & Peters, 2002). Job seekers usually tend to prefer businesses that match their ethical beliefs (Cable & Judge, 1996). Berger et al. (2007) stated that "Best employees are attracted to CSR and an appreciation of CSR was correlated with other valued characteristics such as empathy, concern for others, and integrity", and CSR perceived by job seekers has also become an important element for person-organization fit (Finegan & Theriault, 1997). However, we have not found any research which investigates the effects of salary and job seekers perceived CSR on their intent to apply at the same time. Furthermore, when job seekers will have cognitive dissonance and how the cognitive dissonance will influence their intent to apply. This research attempts to answer these 3 research questions by an experiment study.

This research will investigate job seekers looking for jobs in hotels which focus on environmental relative CSR activities. The study will be conducted with a  $2\times2$  two-factor experimental design. Two well-known hotels that actually exist in the Sun Moon Lake Soil and Water Conservation Area will be selected and their information will be rewritten to establish four hypothetical company scenarios. This study uses one-group pretest-posttest design.

	Job seekers' cognitive of CSR				
		High	Low		
CSR of hotel	High	High hotel CSR and High job	High hotel CSR and Low job		
		seekers' cognitive of CSR	seekers' cognitive of CSR		
	Low	Low hotel CSR and High job	Low hotel CSR and Low job		
		seekers' cognitive CSR	seeker's cognitive of CSR		

Table 1 Two-Factor Experimental Design

In this study, the questionnaires were divided into two groups in advance and distributed evenly according to the number of participants during the test to ensure that there was no significant difference between the groups. Before the test begins, the tester will briefly explain the purpose of the study and ensure that the subject's data is kept confidential, and confirm that there are no problems before starting the test. All the items were a 7-point Likert scale from 1 (strongly disagree) to 7 (strongly agree). In this study, the graduates from the School of Management at the University of Providence University in Taiwan were chosen as samples. The sample size was approximately 200 students. All subjects were randomly assigned to the experimental assumptions.

In the first step, all participants will be asked to answer a questionnaires related to CSR cognition and they will read an introduction to the case hotel and answer their expectation salary if they apply for a specific job in this case study. The second step will first describe the hypothetical company and ask the participants to assume that they are job seekers for this company. After informing the industry about the average salary of this position, the participants are asked about their intention to apply and expected salary. Then asked them to read about the hypothetical company's article. The article described the hypothetical company's actual actions in CSR environmental protection. The article was also extracted from a third-party public article on a well-known hotel that actually existed in the Sun Moon Lake water and soil conservation area. According to the different questionnaire groups, the HG group's questionnaire description assumes that the company's positive CSR acts, and the HN group's questionnaire does not. After reading the article, the participants is asked to fill out the Corporate Image Scale. After that, the participants is asked again for the intention to apply the job, as well as expected salary, and whether there is a change from the expected salary that was previously investigated. In the third stage, based on the respondents' results, they were decided whether to continue to fill in the Cognitive Dissonance Scale.

This research will find if there is a turning point of participants to accept a job offer based on salary offered by hotel, no matter the degree of Person-Organization Ethical Fit. This turning point will cause job seekers' cognitive dissonance. The following discussion and suggestion will be made in order to provide ideas for recruiting and CSR management and it will also contribute to academic researches.

Keyword: CSR, Person-Organization Ethical Fit, Cognitive Dissonance, Intent to Apply, Corporate image.

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# JAPANESE UDON NOODLE TOURISTS: WHAT MATTERS?

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# Abstract

The current study aims to examine what motivates Japanese domestic tourists to travel in the quest of fresh handmade *udon* noodles in Japan. Adopting a qualitative in-depth interview approach, the target samples of the study were Japanese tourists whose sole, main or part of reason for travel on the occasion was to consume Mizusawa *udon* noodles in Mizusawa *udon* region, Gunma prefecture. The results indicated that food tourists were motivated to visit the Mizusawa *udon* region both extrinsically and intrinsically. The identified extrinsic motivations encompass 'expected sensory appeal and textual seduction' and 'heritage and authenticity of cooking methods and foodways', whereas the intrinsic motivations include 'escapism, prestige and self-enhancement', 'learning local culture', and 'past experience and familiarity'.

Key Words: motivation, Japan, domestic tourism, udon noodle, rural area, food tourist

#### Introduction

Food can be a critical resource for some places or destinations (Avieli, 2012; Henderson, 2009; Kim & Ellis, 2015) and a peak experience for some tourists rather than simply just a meal of a day (Quan & Wang, 2004). Food can be even a primary or secondary motivation of tourists' mobility, and thus Hall and Sharples (2003, p.10) provide a preliminary understanding of food in tourism, describing food tourism as "visitation to primary and secondary food producers, food festivals, restaurants and specific locations for which food tasting and/or experiencing the attributes of specialist food production region are the primary motivating factor for travel". Their definition of food tourism has been well publicised and adopted by many previous studies (e.g., Chang & Yuan, 2011; Park, Reisinger, & Kang, 2008; Presenza & Iocca, 2012; Sanchez-Canizares & Lopez-Guzman, 2012; Smith & Costello, 2009).

While there has been a welcome growth in academic attention to the topic of food tourism motivations, some critical gaps remain in our knowledge about the subject. Three pressing questions have been identified. First, previous studies collected their research data among leisure or pleasure tourists who were not necessarily motivated by food. A critical question here is "did previous studies really examine food tourist motivations by its definition?" McKercher et al. (2008) criticised that many previous studies were labelled food tourism for their own sake to take an advantage of this current popularity of the subject area, which really depends on how to cook actual number of genuinely food-motivated tourists, the so-called foodies.

Second, the great majority of previous studies on tourist motivations associated with food choice and selection have been conducted by the quantitative methodological approach using

measures and scales loosely developed and rooted in other disciplinary areas such as leisure studies and social psychology, with an exception of Kim et al. (2009) adopting a grounded theory to gain deeper insights into tourist motivations from their own accounts.

Third, the great majority of existing studies on food tourism focus exclusively on Western examples, specifically targeting at international tourists from the Western perspective. However, this Western focus and paradigm tends to overlook the fact that the face of the food industry as well as the tourism industry in Asia, has been undergoing an unprecedented rapid and radical change on a global scale. More importantly, the research on domestic food tourism phenomenon in the Asian context seems to be the scarcest. However, some have long been food tourism destinations amongst domestic travellers in Asia. For example, Kagawa, Gunma and Akita Prefectures have been the mecca of Japanese *udon* noodle destinations amongst Japanese domestic tourists (Kim & Ellis, 2015). Also, Hoi An has been the capital of Vietnamese food culture and a food tourism destination for foodies in Vietnam (Avieli, 2012).

Acknowledging the above research gaps in the field of food tourism and tourist motivation, the current study aims to examine what motivates Japanese domestic tourists to travel in the quest of fresh handmade udon noodles. Udon is one of the most popular Japanese staple foods, which has been familiar to many people for a long time regardless of their socio-demographics. Thanks to a wide variety of ready-meal types of udon available everywhere, nowadays udon can be cooked and consumed at home easily (Kim & Ellis, 2015). This is quite comparable to other forms of food tourism examined in the existing literature where tourists are motivated to seek for (totally) new, different and/or innovative gastronomic experiences, for example the Catalan chef Ferrán Adriá, pioneer of 'molecular gastronomy' in Spain. In comparison, udon noodle tourism in Japan may offer a less exciting and unique experience as it still falls within the category of national diet that may be enjoyed regularly at home by many ordinary Japanese people. However, udon noodles produced in widely recognised udon regions are still seen 'unique' and 'authentic' enough to attract people on holidays and travels for giving a try. As such, how ordinary humble *udon* noodle dish became a touristic icon for certain regions in Japan has been documented (Jones, 2011; Kim & Iwashita, 2016; Kim & Ellis, 2015; Kim, 2015). Their motivations have been little known in detail yet.

# **Literature Review**

Tourist motivations in food tourism

In the context of food tourism, Fields (2002) first proposed a conceptual framework of four major motivators of tourist food consumption from the existing literature - 'physical', 'cultural, 'interpersonal' and 'status and prestige' motivators. According to Fields (2002), physical motivator is related to people's need that cannot be fulfilled in their everyday life such as refreshment and relaxation, while cultural motivation is more about learning a new culture and its people through the direct consumption of novel or authentic local foods. Interpersonal motivator refers to the sociability function of meals, where tourists establish stronger bonds with family and friends and thus create new social relations. Finally, status and prestige motivator is more associated with self-esteem and desire to attract attention as food help people to stand out from others.

Although Fields' study (2002) lacks empirical evidence and support, more recent food tourism studies have adopted his proposition that tourist motivations in food tourism are multifaceted (Kim & Eves, 2012; Kim, Eves, & Scarles, 2009; Kim, Eves, & Scarles, 2013). Kim et al.'s

study (2009) is one of the few studies that aimed to gain a deeper insight into tourist motivations of consuming local foods and thus to build a theoretical model for the tourist motivations related to food consumption by a qualitative methodology. Their study adopted a qualitative grounded theory by conducting a semi-structured interview with 20 U.K. residents about their interests in tasting local foods in the past travels. Alongside physiological and socio-demographical factors, Kim et al. (2009) found nine key motivational themes: exciting experience; escape from routine; health concern; learning knowledge; authentic experience; togetherness; prestige; sensory appeal; and physical environment.

Their findings were more systematically tested by a subsequent quantitative approach of Kim and Eves' study (2012), which eventually suggested only five themes of tourist motivations in food tourism, comprising cultural experience, sensory appeal, interpersonal relation, excitement and health concern. Besides, the effectiveness of conceptual model and examined interrelationship between the factors proposed by Kim et al. (2009) was tested to find that demographic factors have a certain degree of influence on motivational factors (Kim et al., 2013). For example, it was indicated that males have more interest in cultural experience by local food consumption, while females are more concerned about interpersonal relationship that can be developed through sharing the dining experience.

When it comes to studies on motivations, the push and pull concepts are often used for discussion, as motivation can be both intrinsic and extrinsic (Ryan & Deci, 2000). Kim et al. (2010) also aimed to develop an instrument to explore food tourist motivations by applying the push-pull theory in order to examine and conceptualise tourists' behaviour regarding their food consumption. According to Kim et al. (2010), push factors of tourist motivations, which are the state of mind to create or produce a desire to travel, include escape, relaxation, prestige, health, adventure, social interaction and family togetherness. In comparison, pull factors comprise the attractiveness of features, attractions and attributes of the destination itself. However, only six motivational factors were empirically proved as valid in the context of a major food festival in the U.S. The push factors included 'knowledge and learning', 'fun and new experience' and 'relaxation with family', while the pull factors were 'area quality and value', 'quality of event' and 'food variety'.

#### Mizusawa Udon Village In Gunma, Japan

The current study area is Mizusawa in Gunma prefecture, Japan. More precisely, Mizusawa is located in the town of Ikaho in Shibukawa city, which is located almost in the centre of Gunma prefecture, about one and half an hour away by car to the northwest from Tokyo (Shibukawa City office, 2013). Mizusawa udon outlets are located approximately twenty minutes away from the Shibukawa-Ikaho exit of the Kanetsu Express Way (Shibukawa Tourism Association, 2013) and also approximately four kilometres away to a south-eastern region from Ikaho hot spring (Udon museum, 2014).

Mizusawa udon, along with Sanuki udon in Kagawa prefecture and Inaniwa udon in Akita prefecture, is one of the most prestigious udon noodles in Japan, which are labelled as 'nihon sandai udon (the major three regional udon noodles of Japan)'. Gunma prefecture is known as the second biggest production area for wheat of fine quality. Therefore, Mizusawa udon is proudly made from local pure spring water from Mt. Mizusawa, Gunma's locally grown flour, and carefully selected salt. What makes Mizusawa udon unique and distinguishable is its thick

texture, semi-transparency and lustre. It is generally served cold with a dipping sauce such as soy-sauce based soup or sesame based soup (Bureau of Tourism, Gunma Prefectural Government, 2013).

The origin of Mizusawa udon dates back to more than 400 years ago (Udon Museum, 2014). Mizusawa udon was originally offered to the visitors of Mizusawa temple, which has the long history of 1300 years, because local people in Mizusawa wanted to welcome those visitors by offering their local speciality. Today, Mizusawa udon has its registered trademark, which means that without the trademark no restaurants can be recognised serving authentic Mizusawa udon. Besides, the registered trademark tells people that the udon is made only from the three featured ingredients in the traditional way. As a result, there are no Mizusawa udon outlets can be seen around Japan except Mizusawa, where there are only thirteen restaurants that have the trademark around Mizusawa temple. Those restaurants have been attracting people from both inside and outside the prefecture.

## **Research Methods**

A qualitative approach of in-depth interviews was adopted in order to grasp the nature of subjective experience from the perspective of research participants and interpret their accounts in more depth. The data collection was undertaken in June to July 2014. The target samples of the study were Japanese tourists whose sole, main or part of reason for travel on the occasion was to consume Mizusawa udon. One of the authors approached any possible participants outside udon outlets and around bus stops in Mizusawa udon region. With the participant's informed consent, 26 respondents were recruited, consisting of 13 males and 13 females. Each interview lasted between 20 and 50 minutes. Although some interviews may seem too short for in-depth interviews because of the interviewees' time schedule, their accounts were kept for data analysis because of interesting comments.

Of these, five participants were in their twenties, six in their thirties, seven in their forties, four in their fifties, two in their sixties, and two in their seventies. Twenty one out of 26 participants were from the Kanto region including Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, which are all located within 130 km from Gunma. Three were from Nagano and Niigata, which are also neighbouring prefectures. Only two participants were found to come from prefectures of the Western Japan. The great majority travelled with their companions including families, relatives or friends. The great majority was the first-time visitors, where 30% of the interviewees was repeat. Their occupations included office-worker, public officer, student, housewife, and professionals such as nurse and university professor.

Content and thematic analysis was conducted to interpret collected primary data by using descriptive, interpretive and then pattern codes in order to identify, analyse and report themes in a more depth as well as to determine trends and patterns of words used, their frequency, their relationships and the structures and discourses of communication (Hay, 2010; Jennings, 2010; Vaismoradi, Turunen, & Bondas, 2013).

# Findings

Expected sensory appeal and textual seduction

Japanese tourists visiting to Mizusawa udon village were mainly motivated by high expectation of sensory experiences and embodied textual seduction of Mizusawa udon noodle. Their sensory and seductive expectations had been partially cultivated by their cognitive evaluation of the finest natural and environmental resources including fresh good water as a main ingredient of udon noodle. For example, a mid-40s male participant (Respondent 7) was originally from the Shikoku area of Japan, where Kagawa prefecture, famous for nationally popular Sanuki udon, is located. He indicated that he has been very familiar to the chewy and pleasant taste of Sanuki udon and has developed a special sensory attachment to it. He was motivated to try Mizusawa udon, searching for a somewhat similar pleasurable experience to that of Sanuki udon and at the same time expecting to gain different sensory experiences that a good quality of water in Mizusawa may contribute to:

"...I was motivated to try it as I expected Mizusawa udon would be chewy and pleasant on my tongue. I also knew this area has water of good quality, so I expected I could enjoy the taste of good water, which should be hidden in noodles." (Respondent 7)

In similar, a mid-20s female visitor from Tokyo (Respondent 16) commented that she was in quest for new dimension of embodied sensory experience of udon noodle in particular, textual beauty and hedonism or sensorial pleasure fresh handmade Mizusawa udon could create in her tongue. The expected difference in sensory attributes between Mizusawa udon and ready-meal types of udon noodles cooked at home was considered as a big draw card not only for her but also for many other visitors.

"I think many people including me come here just because the tastiness simply attracts them. The chewiness of raw noodles cannot be gained from typical udon noodles cooked at home." (Respondent 16)

She implied that it was worth coming to Mizusawa and eating the raw udon, as regular instant noodles always fail to provide her with an amazing fresh taste and chewiness, which would be a critical sensory experience of her tongue. A negative evaluation of wholesomeness and sensory quality can be a significant obstacle to people's daily consumption of mass-manufactured instant foods in general and noodles in this particular case, which may offer convenience at cost of taste (Costa, Schoolmeester, Dekker, & Jongen, 2007). As such, sensory appeal of food is one of important factors in food choice, and people tend to look for particular attributes in a food that engage one or more of their senses (Prescott, Young, O'Neill, Yau, & Stevens, 2002). Kivela and Crotts (2006) also highlight that sensory perception plays a significant psychological and physiological role in appraisal of food, and food consumption can be a pleasurable sensory experience, especially when it occurs outside home.

Heritage and authenticity of cooking methods and foodways

The historical and heritage value and authenticity embedded in the cooking methods and the unique foodways of fresh handmade Mizusawa udon noodle were found to be another critical attribute that motivated Japanese domestic tourists to consume Mizusawa udon in loco. Indeed, such an intrinsic value of Mizusawa udon is associated with the historic value, tradition and heritage as a landmark of the Mizusawa udon region. Many tourists had an impression that the region, local community and Mizusawa udon itself cannot be discussed separately, based on their knowledge that the udon in the region is an intangible cultural heritage which enables them to see the continuity between present and past of the region. Below is a commented made by an early-30s male visitor accompanying his wife from Tokyo: "...You can easily tell that udon is the local speciality of this region as many restaurants has been there gathering at one place, looking like a landmark. I was attracted as I could also tell there's a history. I felt the Mizusawa temple and Mizusawa udon outlets have been familiar to local people together for a long period." (Respondent 17)

Furthermore, visitors considered every step and procedure used by the udon craftsmen as an absolute necessity for the finest taste of udon, and thus believed that the unique methods of production and preparation could never or almost impossible be imitated by amateur cooks at home. Also, the great majority further commented on the unique foodways in Mizusawa udon village, which refer to the complex of behaviours by which foods are produced, prepared, presented and consumed (Welch & Scarry, 1995). For example, the sesame-based sauce often served with fresh handmade Mizusawa udon was identified as an important motivator for many tourists to try udon noodle, given that in their perceptions udon noodles are typically eaten with soy sauce or hot soy sauce-based soup with some toppings or garnishes such as vegetable tempura. Thus, some respondents (e.g., Respondent 19) strongly believed that they would not be able to gain the same 'authentic' experience though there are similar types of udon offered here and there in Japan. A mid-30s male respondent from Nagano commented on the authentic experience created by the unique foodways of the Mizusawa udon region:

"...you can taste what is made by craftsmen. The way they make udon, even how to boil and how to serve, is totally different from how we do at home. So I feel like eating what just comes out from the pot at restaurants. Surely you may be able to buy their noodles and try to cook in a similar way at home, but it won't be as good as what you eat in here." (Respondent 1)

#### Escapism, prestige and self-enhancement

The consumption of local foods like Mizusawa udon on travels can represent an escapeoriented activity. Escape from routine is referred as the willingness to gain rest and recovery and escape from daily routines by leaving behind the modern personal or interpersonal world and trying different things from what one usually does (Kim et al., 2009; Wickens, 2002). The act of eating udon in Mizusawa udon village may not seem to allow Japanese tourists to experience what is somehow different or liminal, given that udon is still a familiar food cooked and consumed often at home. However, some expressed that they were still eager to eat udon in Mizusawa staying away from the usual environment where they eat mass-manufactured udon and gain a sense of liberation from ensuing domestic responsibilities regarding cooking as the following. Below is a response of a male local visitor from Gunma:

"It is an extremely hard work to boil a big amount of udon in hot water at home, especially in the very hot summer like now. Here someone else does that for me for only 1000 yen, and I can have a great taste of cold udon. Then it makes a sense to come back sometimes when I don't want to cook for myself at home, doesn't it?" (Respondent 2)

Others also articulated that although udon is one of the most common Japanese foods, they can indulge themselves in luxury and feel something special and extraordinary, when eating the Mizusawa udon in loco outside their home. In this regard, their indulged luxury-ness can be interpreted not only by the allowed freedom from their daily responsibilities but also by the multi-layered values of Mizusawa udon, namely heritage, authenticity, history, tradition, uniqueness, and/or craftsmanship as discussed above. It is also because the udon comes with side dishes, which they would not be bothered to prepare for themselves at home, and are kindly

served by someone else. All of those tourists were motivated to travel Mizusawa and ate the udon because of their real or perceived need to escape from their routine situations or mundane of home surrounding eating activity and the desire to feel indulged and experience something more than just the udon in a bowl.

As such, the escapism motivation has a close connectedness with 'prestige and selfenhancement'. For example, whilst being escaping from their routine, some tourists wanted to gain a prestigious feeling and self-satisfaction and enhance self-esteem by eating Mizusawa udon, which cannot be replaced anywhere else in Japan. They were eager to differentiate them from others by eating the noodle. This kind of motivation can be explained by a desire to gain attention and recognition from others (Kim et al., 2009), and those tourists in the current study indeed indicated that they would not just keep the experience as a good memory in their minds but also were very willing to share their experience with family and friends back home afterwards. Below is how Respondent 25 explained in this regard:

"It is the willingness to achieve fulfilment from eating Mizusawa udon. ... When I go to a place and eat a local speciality, I feel like the experience will be accumulated as personal experience inside me forever. And what I've eaten may be able to talk about what kind of person I am." (Respondent 25)

Those tourists were aware that their eating experience at Mizusawa can hardly be reproduced by someone else back home because of the rarity and uniqueness that in the sense their experience can be transformative as prestigious and highly esteemed experience; mark themselves and their lifestyle positively; and give them a higher status than others who have not been there yet to hold a same prestigious title, that is, "I have also been there and tasted Mizusawa udon noodle in loco". This finding confirms what Fox (2007) suggests that foods people consume can be a powerful symbol or identity marker of who they are.

# Learning local culture

It is interesting to note that all respondents expressed that they always try to experience local specialties of places wherever they travel to on holidays as they feel that eating those foods unique to the place will help them to understand the place better and encourage engagement with the place (Fields, 2002). It is somehow rooted in a long tradition of food tourism culture in Japan where people travel to a certain region in order to experience its food and food culture, which is the so-called 'Meibutsu culture' (Tussyadiah, 2005, p. 284) as "a must do" when visiting a particular location.

Eating local foods can invite tourists into a new culinary universe; consuming the food of group of people in the region visited lets the tourists explore and appropriate another culture and provide a step to understand, apprehend and integrate the cultural practice into them. As such, there is an increasing demand as well from the tourist side for the culture to offer and celebrate cuisine that represents their distinct heritage. That is because food can be the expression of a place's social and cultural capital, and hence it gives special meaning to tourists and makes them feel they are appropriating the nature, culture and identity of the place being visited (Bertella, 2011). Thus, learning culture indicates the tourists' desire to learn and acquire new knowledge about a given place and its culture through the consumption of local foods of the place. In this regard, a female mid-40s visitor suggests:

"If you eat a local speciality, through the consumption you will be able to see many things such as climate, ambience and lifestyle of local people of the place." (Respondent 12)

#### Past experience and familiarity

There is a general acceptance that past travel experience can influence tourist attitudes and hence tourists' behaviour such as revisiting a destination in future (Huang & Hsu, 2009). Nine out of 26 interviewees were labelled as repeaters in this research. Those repeaters were motivated to revisit and eat Mizusawa udon again by their past experience where they believed to have attained an incomparable pleasurable sensory experience and fun-filled memories. Furthermore, familiarity can also motivate tourists to consume a certain food, and such familiarity does not always arise from past experience involving actual sensory exposure. Participant 12 expressed that he has known about Mizusawa udon since he was little because his parents, who were from the neighbourhood of Mizusawa, kept telling him that the udon tastes great. He explained that the story-telling made him feeling very close to the udon although he had never tried it until the day.

As such, the critical role of familiarity regarding tourist food consumption have been similarly discussed by some researchers (Mak, Lumbers, & Eves, 2012; Seo, Kim, Oh, & Yun, 2013). Seo et al. (2013) found that experiential familiarity, which is the extent past experience, is superior to informational familiarity, that is, the extent of sources of information used, in that it fosters a more cognitive and affective image and increases one's intention to eat the foods. In this informant's case, he did not have any experiential familiarity with Mizusawa udon. However, the informational familiarity given by his parents, who can be described as the closest to him, led to the positive image formation of the udon and caused motivation to eat.

#### Conclusion

A significance volume of literature exists on the relationship between food and tourism as well as on the tourist motivations. When these two fields of studies are combined, however, there is a paucity of academic and practical attention with some exceptions. A particular attention to the Asian context seems to be the scarcest. This study therefore attempted to present and discuss the food tourists' motivations with reference to Mizusawa *udon* region in Gunma prefecture, Japan. The Mizusawa *udon* region is one of the three major *udon* noodle tourism destinations in Japan. Udon is one of the most popular Japanese staple foods, which has been familiar to many people for a long time regardless of their socio-demographics.

Adopting a qualitative in-depth interview approach, the target samples of the study were Japanese tourists whose sole, main or part of reason for travel on the occasion was to consume Mizusawa *udon* noodles in Mizusawa *udon* region, Gunma prefecture. This thorough research design of sampling reflected one of the critical gaps remaining in our knowledge about food tourism in general and food tourist motivations in particular, claiming that previous studies collected their research data among leisure or pleasure tourists who were not necessarily motivated by food.

The findings suggest that regardless of first-time and repeat visitors, both extrinsic and intrinsic motivators were equally important to motivate Japanese domestic tourists to travel in the quest of fresh handmade *udon* noodles in Japan. The extrinsic motivations include 'expected sensory appeal and textual seduction' and 'heritage and authenticity of cooking methods and

foodways', whereas the intrinsic motivations encompass 'escapism, prestige and selfenhancement', 'learning local culture', and 'past experience and familiarity'. The extrinsic and intrinsic motivations were not separate but interwoven and interconnected to influence the Japanese domestic visitors' decision-making in the context of *udon* noodle tourism. The findings will be of relevant stakeholders' interest, as it will shed light on the ways the stakeholders develop their strategies that can be applied to the future and sustainability of food tourism in Mizusawa. It will be also beneficial for stakeholders in regional tourism developments that will focus on food, heritage, and tourism.

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# VISITORS' PERCEPTIONS OF PLACE ATTACHMENT AND EMOTIONAL EMPOWERMENT IN UNDERSTANDING DESTINATION LOYALTY AT THE SHRINE

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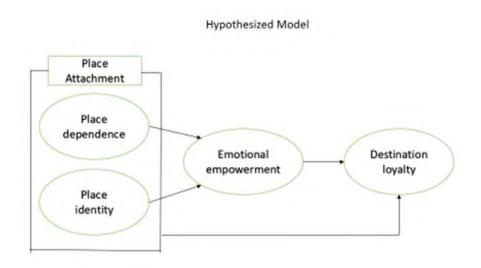
#### 1. Introduction

Religious festivals not only provide opportunities for attendees to learn about customs and practices but they also serve to strengthen deeply-held beliefs among individuals subscribing to a faith (Getz, 2016) (Getz & Page, 2016). Oftentimes, the locations in which such festivals occur are so unique, that participants possess a high level of place attachment for the venue (Ruback, Pandey, & Kohli, 2008). In the articulation of festivals, communities, and religion, there are many subtle connotations ranging from belief to sightseeing that potentially influence the visitors' decision. Hosting festivals with a tinge of sacred motivation to stimulate religious, pilgrimage and cultural spirits of visitors showcase the "strength of togetherness" and "strength of faith" (Jongmeewasin, n.d.). Place attachment concerns the positive emotional bonds that develop between individuals and their socio-physical environment (Gustafson, 2001; Hidalgo

& Hernandez, 2001; Stedman, 2002). These attachment bonds are essential in planning for tourism development because tourism affects not only the appearance of local places, but also the meanings of places and the connections residents have with others and nature within the places visited. The empowerment literature, describes how the tourism development process can psychologically, socially, politically, and economically empower or disempower residents depending on how tourism affects residents' self-esteem, community cohesion, and economic development (Boley et al., 2014; Cole, 2006). With empowerment being one of the more important non-economic benefits from tourism (Boley et al., 2014; Scheyvens, 2002), residents' bonds with local places will arguably affect perceptions of tourism development, and thus influence how empowered individuals can become through tourism. Within the tourism research, place attachment and empowerment are two of the non-economic constructs used to explain why residents support or oppose tourism development. An attempt is made in this study to make us of the ideas of empowerment to visitors in order to decipher its relationship with place attachment and destination loyalty. The generic definition of destination loyalty embedded within the product and service literature (Hepworth & Mateus, 1994; Chen & Gursoy, 2001; McKercher & Guillet, 2011) explains the three different indicators of repeat purchase behavior, intention to buy more and willingness to recommend the product/service. Meanwhile, the multiple realms of loyalty, centering the travel and tourism industry in particular, explicates loyalty in terms of past experience (Deng & Pierskalla, 2011), willingness to recommend the destination (Hutchinson, Lai, & Wang, 2009; Morais & Lin, 2010; Prayag et al., 2015), and desire to re-visit the destination (Oppermann, 2000; Morais & Lin, 2010; Cheng, Shih, & Chen, 2016).

Drawing from the place attachment, emotional empowerment and destination loyalty literature, this study develops and presents a conceptual model which aims at exploring the twodimensions of place attachment (Place dependence and place identity) on emotional empowerment and destination loyalty and additionally this study further investigates the indirect effect of place attachment ton destination loyalty. Additionally, no previous study in the festival tourism literature has attempted to establish a structural relationship between place attachment and emotional empowerment as antecedents of destination loyalty particularly in the context of a religious festival. Given their unique appeal as visitor destinations because of religious, cultural and social specificities, many churches in India have high levels of repeat visitation. This may be suggestive of a stronger emotional relationship with residents and place compared to other religious tourism destinations. An examination of the antecedents of destination loyalty, therefore, may provide a better profile-raising for the church as well as other tourist locations in the vicinity. Hence, we hope that the study will serve as an integrated approach toward understanding visitor affection to the place and revisit intention.

#### 2. Theoretical framework and hypotheses:



H1: There is a significant relationship between visitors' place dependence and destination loyalty

H2: There is a significant relationship between visitors' place identity and destination loyalty

H3: There is a significant relationship between visitors' emotional empowerment and destination loyalty

H4: There is a significant relationship between place dependence and emotional empowerment

H5: There is a significant relationship between place identity and Emotional Empowerment

H6: There is an indirect influence of place identity on destination loyalty through emotional empowerment

H7: There is an indirect influence of place Dependence on destination loyalty through emotional empowerment.

#### 3. Research method

Over a period of five days (January 22-26, 2017) during the Attur Church Feast, a team of researchers intercepted visitors as they walked past the entrance of the Church. Individuals were contacted and asked to complete an on-site self-administered questionnaire regarding their perceptions of the church and festival, interactions with others in community, travel behavior, and other pertinent questions.

To diminish coverage error in the sampling process, only departing visitors were targeted. The survey instrument was provided in participants' native language to avoid systematic biases. During the five-day period of data collection, a research team consisting of nine members approached approximately 4,500 visitors and asked them to participate. Though we were stationed near the main gate of the church, many individuals declined to participate citing that they were either there to pray or were in the midst of praying. Overall, 813 individuals agreed to participate and completed the survey instrument.

#### 4. Results and analysis

#### 4.1 Sample characteristics

Fifty seven percent of the respondents were male and 43 % were Female. Most of the respondents belong to the age group of 15 to 25 years (62%) whereas only 1% belong to the age group of above 60 years. Nearly half the respondents (48%) are Hindus, followed by the Christians (44%), remaining are Muslim (2%). A large percentage (40%) possessed an undergraduate degree, while most of the remaining participants either had a professional degree (28%) or higher secondary and primary education (30%) with the post-graduation (42%) and having some professional degree (28%). Thirty nine percent of the respondents are students followed by self-employed (30%).

## 4.2 Measurement model

The results show that the proposed measurement model fit the data well:  $\gamma^2 = 551.44$ ; df = 102; p = 0.000; Goodness of fit index (GFI) = 0.93; Incremental fit index (IFI) = 0.96; Tucker Lewis Index (TLI) = 0.94; Comparative Fit Index (CFI) = 0.96; Root Mean Square Error of Approximation (RMSEA) = 0.074; Standardized Root Mean Square Residual (SRMR) = 0.035. As shown in Table 1, factor loadings for each item was above 0.50 (ranging from 0.64 to 0.87) and were significant (p < 0.001). Furthermore, *t*-values exceed the recommended value of 1.96 (ranging from 19.21 to 35.62). Additionally, composite reliability (CR) values ranged between 0.83 to 0.89 and the average variance extracted (AVE) values were between 0.56 and 0.73, exceeding the recommended cut-off points of 0.70 and 0.50, respectively (Anderson & Gerbing, 1988). Based on these results, convergent validity of the measures was demonstrated. Discriminant validity was assessed by comparing the square root of the AVEs for each construct with the correlations among the latent variables in the model. The results revealed that all correlations were less than the square root of each AVE (PI-PD = 0.51; PD-EE = 0.48; DL-PI = 0.36; DI-EE = 0.44), providing evidence for discriminant validity (Fornell & Larcker 1981). In this sense, the results show that the measurement model was mutually valid and acceptable.

# 4.3 Structural Model

Confirmatory factor analysis (CFA) was piloted to examine the factor structure of the measures and to determine whether the measurement model has acceptable fit to the data. All 18 items were significantly loaded onto the respective constructs. Subsequently, the model fit was also evaluated based on multiple indices. The ratio of chi-square to degrees of freedom ( $\chi$ 2/df) was 5.4. As the x<sup>2</sup> statistic is very sensitive to sample size and is no longer relied upon as a basis for acceptance or rejection (Schlermelleh-Engel et al., 2003; Vandenberg 2006), the use of multiple

fit indexes may provide a more holistic view of goodness of fit taking into account other relevant issues of the study. However, the multiple fit indices such as the comparative fit Index (CFI), Incremental fit index (IFI), Tucker-Lewis index (TLI) were greater than 0.9 (CFI=0.93, IFI=0.96, TLI=0.94, GFI=0.93) as recommended (Bentler et al., 1980) (Table 4). The root

mean square error of approximation (RMSEA) was 0.074, which was less than the suggested threshold level of 0.08 (Browne & Cudeck, 1992). The model explained a substantial 77 % and 65 % of the variance in emotional empowerment and destination loyalty respectively. The proposed hypotheses were assessed and findings are depicted in Table 5 and Table 6. As shown in the Table 2, six of the seven proposed hypotheses were supported, while one was rejected.

**Hypothesis 1** suggested that place dependence has a direct relationship with destination loyalty. Results showed that H1 ( $\beta = -0.129$ ; ; p > 0.01, *t*-value = -1.789) was not supported. **Hypothesis 2** suggested that place identity has a significant relationship with destination loyalty ( $\beta = 0.230$ ; p < 0.05, *t*-value = 2.693) was supported. **Hypothesis 3** suggested that emotional empowerment has a significant relationship with destination ( $\beta = 0.706$ ; p < 0.001, *t*-value = 7.300) was supported. **Hypothesis 4** suggested that place dependence positively influences emotional empowerment ( $\beta = 0.395$ ; p < 0.001, *t*-value = 7.097) was supported. **Hypothesis 5** suggested that place identity positively influences emotional empowerment ( $\beta = 0.395$ ; p < 0.001, *t*-value = 7.097) was supported. **Hypothesis 5** suggested that place identity positively influences emotional empowerment ( $\beta = 0.395$ ; p < 0.001, *t*-value = 7.097) was supported.

Standardized hypothesized relationship	Std. Estimates	t-Value	Results
H1: Place Dependence $\rightarrow$ Destination loyalty	-0.129	-1.789 <sup>ns</sup>	No supported
H2: Place Identity $\rightarrow$ Destination Loyalty	0.230	2.693**	supported
H3: Emotional Empowerment $\rightarrow$ Destination Loyalty	0.706	7.300***	supported
H4: Place Dependence $\rightarrow$ Emotional Empowerment	0.395	7.097***	supported
H5: Place Identity $\rightarrow$ Emotional Empowerment	0.529	8.681***	supported

Note: ns = not significant

\*p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001.

 $R^2$  Emotional Empowerment = 0.77  $R^2$  Destination Loyalty = 0.65

#### 4.4 Mediation Analysis

Subsequent to SEM, a set of two hypotheses were considered to assess the mediating (or indirect) effect of emotional empowerment on the relationship between place attachment and destination loyalty. In this logic, the indirect effects were measured using both Sobel's test and a bootstrapping method using the PROCESS macro Model 4 (Hayes 2013).

Due to this, **Hypothesis 6** and **Hypothesis 7** suggested that the effect of place dependence and place identity on destination loyalty is mediated by emotional empowerment. The indirect effect results shown that both the Sobel test and bootstrapping method (Table 3) for H6 and H7 were supported.

Table 3 – The indirect effect of place attachment on visitor behavior through emotional empowerment

Indirect effect:	Effect	Z-test	Boots C	$I^1$
H6: Place Identity $\rightarrow$ Emotional Empowerment $\rightarrow$ Destination Loyalty	0.336***	12.110	0.280	0.396
H7f: Place Dependence $\rightarrow$ Emotional Empowerment $\rightarrow$ Destination Loyalty	0.372***	14.320	0.319	0.432
*** <0.001				

\*\*\**p* <0.001.

Z-test = Sobel test

1 Boots CI = Confidence Interval based on 10,000 bootstrap samples

#### 5. Discussion and conclusion

The purpose of this study was to contribute to the literature by investigating the influence of place attachment and empowerment on destination loyalty. Consequently, the model was developed based and the findings suggest that among two dimensions of place attachment, only place identity has a significant influence on destination loyalty. This

was contrary to the findings a study by Lee (2007), where the researcher has established a significant relationship between place attachment and destination loyalty. A preponderance of visitors visit this destination for a short duration (a maximum of five days) and hence may have limited opportunity to explore the destination as well as socialize with the host community. Their repeat visits to the festival tend to be significantly influenced by other situational factors and are likely be assumed less frequently (Michels & Bowen, 2005). The relationship between place identity and destination loyalty indicates visitors' attachment and empathy towards the festival which is a strong indication of their trust and faith in the festival. In other words, a visitor may feel a strong sense of attachment if one feels that the festival is part of one's self. Place affect reflects the emotional or affective bond between an individual and a place (Jorgensen & Stedman, 2001; G. T. Kyle et al., 2004). Additionally, the strength of the relationship between emotional empowerment and destination loyalty suggest that their visitation is impacted by the level of empowerment. Their revisit to the festival indicates their perception of psychological and emotional benefits received through attending the festival over a period of time. The relationship between place attachment and emotional empowerment suggests that, the more visitors identify themselves with festival and more they depend on the local environment of the festival for their religious activities and greater the potential for emotional benefits from the festival that boosts their pride and self-esteem. Hence, it is hoped that the empirical findings of the study may assist in quantifying and evaluating the noneconomic benefits while tracking visitor perceptions of empowerment and loyalty.

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# EXAMINING THE RELATIONSHIP BETWEEN ORGANIZATIONAL CULTURE AND TURNOVER INTENTION: A STUDY OF A FIVE-STAR HOTEL IN BANGKOK, THAILAND

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## Abstract

This paper describes the research done to examine the relationship between organizational culture and turnover intention in the five-star hospitality sector in Thailand. A quantitative approach using a questionnaire survey methodology was used to investigate the relationship between organizational culture and turnover intention of 201 employees at a five-star hotel in Bangkok, Thailand. The key findings indicate a significant association between higher perception of Social Motivation, HRM Practices and Innovation with lower turnover intention, explaining 16.4% of the variance, and significant associations between lower turnover intention and better perceptions of HRM Practices, Level of Cohesiveness, Social Motivation, Communication, Job Variety, Innovation, Ongoing Onboarding, and Guest Focus. Regularly monitoring the organizational culture at five-star hotels in Thailand can help assess and better understand the current climate to decrease turnover intention and thereby probably actual turnover. Given that females indicated a higher propensity toward quitting their job than males, greater emphasis should be made to address work-life balance at five-star hotels and creating a more supportive organizational culture.

*Keywords:* organizational culture, turnover intention, hospitality industry, Thailand, five-star hotels

## 1. Introduction

Travel and tourism play a significant role in the economic growth of Thailand, contributing around 20% to its national GDP in 2015 (Grant Thornton Thailand Hotel Survey, 2016). With an increasing number of travelers, demand for hotels has increased. The retention of quality employees is one of the leading challenges faced by the competitive hospitality industry in Thailand and globally. An average hotelier spends 33 percent of revenues and 45 percent of operating expenses on labor costs with an average turnover rate of 31% p.a. ("Hospitality", 2015) Extra costs in recruitment and training are incurred when rates of turnover are high. The report also states that 52% of the cost of replacing staff is productivity loss and 14% is orientation and training. Significantly, the Marriott Corporation reported that a one percent

increase in employee turnover would cost their company between \$US5 million and US\$15 million per year (Boardman & Barbato, 2008). Consequently, retention of skilled and quality employees has become very important for a hospitality organization's success in the face of increasing high rates of turnover (Deery & Shaw, 1997; Davidson, Timo & Wang, 2010).

Retention of employees is more challenging in a country like Thailand where the unemployment rate is relatively low. While this external environmental factor can impact employee turnover, the internal work environmental factor of organizational culture can make a difference in the retention of quality employees (Carsten & Spector,1987; Chahal, 2017). Organizational culture refers to the values, beliefs and underlying assumptions that help guide the behaviour of members and is a factor affecting an organization's success or failure (Schein, 1985). The following research questions guided this study: What organizational culture factors affect employee turnover intention in five-star hotels in Thailand? Do demographic characteristics influence the relationship between organizational culture factors and turnover intention in five-star hotels in Thailand? Based on the findings, the implications for management practice for five-star hotels in Thailand are discussed.

## 2. Background

Early turnover model research, before 1985, focused on individual level concepts like job satisfaction and commitment. While the individual factors are still relevant, there has been a gradual research shift toward organizational and group level concepts such as organizational culture, group cohesion, and pay systems (Holtom et al., 2008). Research studies have found that turnover intention is an antecedent to actual turnover (Chiu & Francesco, 2003; Griffeth, Hom & Gaertner, 2000). According to a study by Mobley et al. (1979), it was found that intentions can give a warning of potential turnover. Bluedorn (1982) cited 23 studies that reported significant relationships between turnover intention and actual leaving behaviour. Also, the turnover intention in the hospitality industry is considered a neglected area of the organizational culture literature (Tepeci & Bartlett, 2002). Therefore, in this research, the relationship between organizational culture and turnover intention in the hospitality industry is examined.

Tett and Meyer (1993, p. 262) defined turnover intention as "the conscious and deliberate willfulness to leave the organization." Examining turnover intention is important because it enables employers to take preventive steps to address employees' concerns rather than letting employees resign. Davidson and Wang (2011) argue luxury hotels need to adopt a more strategic human resource management approach to improve employee retention employing more sustainable labour practices and reducing their reliance on a contingent workforce. Deery's (2008) review of the employee turnover literature within the hospitality and tourism industry examined the role of work-life balance (WLB) in employee turnover and highlighted strategies such as flexible working hours and family-friendly work policies to reduce high turnover rates. Studies on 'turnover culture' in the hotel industry in Australia identified the need for management practice in controlling a turnover culture and the need for further research (Deery & Shaw,1997; Deery & Shaw,1999). Guerrier and Deery (1998) noted the gap in the hospitality literature on how organizational culture may be related to employee turnover and called for more research. Therefore, this study aims to address this gap in the literature.

The five-star hotel chosen is a part of Marriott International Inc., the world's largest hotel chain. One of the aspects of the organizational culture at Marriott is that their espoused core values are consistent within all the hotels the chain operates. These core values are putting people first, pursuing excellence, embracing change, acting with integrity and serving the world (Core Values & Heritage, 2017). After the acquisition of Starwood Hotels and Resorts in 2016, the core values of Marriott were integrated into the Starwood hotels (Ting, 2016). The host site for this research study was an original Starwood hotel after incorporation into the Marriot group and, given the organizational change, this provided an excellent opportunity to investigate turnover intention. The purpose of this research study is to examine the relationship between organizational culture factors and employee turnover intention in this five-star hotel in Bangkok, Thailand. This research aims to help to better understand the relationship between the concept of organizational culture and the management of people in the hospitality sector in Thailand, and how this relationship may impact employee turnover intention.

## 3. Research design & methodology

## 3.1. Introduction

In this section the research design, research setting, study population and sample, pilot, methodology, data collection procedures and ethical considerations are discussed in detail to provide a framework for the study.

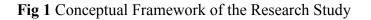
## 3.2. Research design

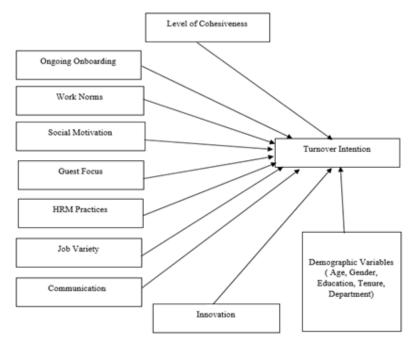
A quantitative approach using a questionnaire survey methodology was used to investigate the relationship between organizational culture and turnover intention at a five-star hotel in Bangkok, Thailand. Bavik's (2016) hospitality industry organizational culture scale (HIOCS) and Roodt's (2004) turnover intention scale was used to examine the relationship between organizational culture factors and turnover intention of 201 employees at a five-star hotel. One of the fundamental questions which can help to predict an employee's turnover intention is "How often do you consider leaving your job?" This statement from Roodt's (2004) scale was used in our design. This statement formed the turnover intention dependent variable in our design.

In this study, Level of Cohesiveness, Ongoing Onboarding, Work Norms, Social Motivation, Guest Focus, HRM Practices, Job Variety, Communication, and Innovation are chosen as the independent variables. For Level of Cohesiveness, Walker and Miller (2010) reported that each member of the team represents a piece of a puzzle and to put the puzzle together there must be cohesion. According to Van et al. (1977), onboarding is the process in which an individual acquires the necessary skills to assume his or her organizational role. In this study, the term Ongoing Onboarding is used because onboarding is mainly used for new team members, whereas Ongoing Onboarding covers all the members. Also, work norms are essential in the hospitality industry as the hospitality industry is guest-oriented, which requires doing things with a procedural and ethical perspective in mind (Coughlan, 2001). For social motivation, Tyler (2010) suggested that employee human behaviour is shaped by social relationships such as perceived support and equality. Schuler and Jackson (1987) defined HRM practices as a system that attracts, develops, motivates, and retains employees to ensure the

effective implementation and the survival of the organization and its members. Dawson et al.'s (2011) study found job variety and guest focus as essential organizational culture factors. Also, communication and innovation have also been identified as organizational culture dimensions (Alexander, 1978; Gordon, 1979; Hartog & Verburg, 2004; Webster, 1993).

The demographic variables age, gender, education, tenure, and department are also included to investigate their relationship to the dependent variable turnover intention. Here, tenure refers to the amount of time a person is employed in the organization. The primary hypotheses in this study that will be tested are as follows: H1 : Level of Cohesiveness affects turnover intention, H2 : Ongoing Onboarding affects turnover intention, H3: Work Norms affects turnover intention H4: Social Motivation affects turnover intention, H7: Job Variety affects turnover intention, H6: HRM Practices affects turnover intention, H7: Job Variety affects turnover intention, H10: Age affects turnover intention, H11: Gender affects turnover intention, H12: Education affects turnover intention, H13: Tenure affects turnover intention, H14: Department affects turnover intention.





3.3. Research Setting

In the research setting, five-star hotels in Thailand were chosen as the population. Permission to conduct the research study was received from a five-star hotel run by major hospitality chain Marriott International. Webster University's IRB approved the study.

3.4. Study population and sample

The study population in

this study was hotel employees above 18 years of age working in five-star hotels in Thailand. The study sample is a non-probability convenience sample of 201 employees from the participating five-star hotel.

## 3.5. Pilot

A pilot study using both English & Thai versions of the questionnaire was done to correct any ambiguities, problems or other elements such as time allocation in the data collection technique. This gave an idea of time allotment and identified any issues respondents had in understanding the Thai and English versions.

### 3.6. Methodology

3.6.1. Bavik's (2016) hospitality industry organizational culture scale (hiocs)

The Hospitality Industry Organizational Culture Scale (HIOCS) is a recent scale developed by Bavik (2016) particularly for the hospitality industry. The nine dimensions of the scale are Level of Cohesiveness, Ongoing Onboarding, Work Norms, Social Motivation, Guest Focus, Human Resource Management Practices, Job Variety, Communication, and Innovation. In this study, all the dimensions of the scale were considered. The participant's response to the HIOCS scale items was measured on a 5-point Likert scale same as Bavik (2016) where the responses to the organizational culture questions were recorded in any of the five statements namely strongly disagree, disagree, neither agree nor disagree, agree and strongly agree.

### 3.6.2. Roodt (2004) turnover intention scale (tis-6)

The turnover intention Scale (TIS-6) is a six-item scale adapted by Roodt (2004) from his unpublished 15-item turnover intention scale as a measure to assess the intentions of employees staying or leaving the organization. The participant's response is measured using Osgood's (1964) scales defined by two opposites (e.g., never - always). Bothma and Roodt's (2013) recent study confirmed the validity of the six-item scale TIS-6. In this study, only the first question "How often do you consider leaving your job?" is used to measure turnover intention of the five-star hotel employees. This question is considered more appropriate to represent turnover intention in this study as it clearly points out an employee's intention to leave.

#### 3.7. Data collection procedures

The Learning & Development Manager of the hotel helped facilitate the administration of the questionnaire. Confidentiality procedures were discussed with the Learning & Development Manager to ensure participants' anonymity. A cover letter was included with each questionnaire describing the study and its purpose and benefits, inviting the employee to participate and informing them about informed consent. A paper-based questionnaire was distributed to the employees because the response rate for paper questionnaires is higher than that of online surveys. The questionnaire had both an English and Thai version and 300 copies of the cover letter & questionnaire were distributed. The data was collected between November and December 2016. The Learning and Development Manager of the hotel distributed the questionnaires to all the employees directly. Steps were taken to ensure anonymity and confidentiality such as employees were requested not to put their name on the questionnaire; respondents were instructed to place the completed questionnaire in the provided manila envelope and return the sealed envelope to the Learning and Development Manager.

## 3.8. Data analysis

A total of 214 questionnaires were returned from the hotel with a 71.33% response rate. Only surveys with over 80% answered items were retained to get a suitable dataset. As a result, 201 questionnaires responses were included in the analysis. The data collected were analyzed using SPSS.

## 4. Results

## 4.1. Introduction

In this section factor analysis, hypothesis testing, t-test, regression analysis is discussed in detail.

## 4.2. Factor Analysis

To validate whether some items were answered in a similar way, uni-dimensional, confirmatory factor analysis is done on the items that were operationalized as measurements of one construct. A KMO Value of greater than 0.5 was consistently found for each group of items. Also, from Bartlett's Test of sphericity, it is seen that p-value is < .0005 for each group. Therefore, the data is suitable for factor analysis. First, factor analysis was applied to the Level of Cohesiveness items. As the factor loadings of the Level of Cohesiveness items were similar, therefore, the items are combined to form a composite variable called Level of Cohesiveness. The combined variable was calculated as a simple average of the items. Similarly, composite averaged variables were created for Ongoing Onboarding, Work Norms, Social Motivation, Guest Focus, HRM Practices, Job Variety, Communication, and Innovation.

## 4.3. Hypothesis Testing

To do the hypothesis testing for the first nine hypothesis, Pearson Correlation Analysis was deployed (Ratner, 2009). The strength of the correlation is shown in Table 1.

Table 1 Correlation Analysis of Organizational Culture Variables and Turnover Intention

Correlation	Statistics	TT
		Hypothesis
Level of Cohesiveness and Turnover Intention	r =334**, p =.000	H1 is supported
Ongoing Onboarding and Turnover Intention	r =174*, p =.014	H2 is supported
Work Norms and Turnover Intention	r =.097, p = .178	H3 is not supported
Social Motivation and Turnover Intention	r =318**, p =.000	H4 is supported
Guest Focus and Turnover Intention	r =166*, p = .018	H5 is supported
HRM Practices and Turnover Intention	r =340**, p =.000	H6 is supported
Job Variety and Turnover Intention	r =214**, p = .003	H7 is supported
Communication and Turnover Intention	r =270**, p = .000	H8 is supported
Innovation and Turnover Intention	r =199**, p = .005	H9 is supported
Age and Turnover Intention	r =065, p = .359	H10 is not supported
Gender and Turnover Intention	r = .212**, p = .003	H11 is supported
Education and Turnover Intention	r = .036, p = .612	H12 is not supported
Tenure and Turnover Intention	r =024, p = .751	H13 is not supported
Department and Turnover Intention	r =.079, p = .270	H14 is not supported

Therefore, the turnover intention is associated with Level of Cohesiveness, Ongoing Onboarding, Social Motivation, Guest Focus, HRM Practices, Job Variety, Communication, and Innovation. Also, from table turnover intention is associated with Gender.

## 4.4. T-test

To get more information on Gender and Turnover Intention T-Test was conducted.

Table 2 T-Test	Gender	and Turnover	Intention
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		Ν	Mean	Std.	Std. Error
	Gender			Deviation	Mean
Turnover Intention	Male	112	2.5179	1.09858	.10381
	Female	88	2.9318	1.06992	.11405

The Welch's t-test with two groups with unequal sample size and unequal variances (p=.008) shown in Table 2 revealed that females

had a higher mean than males which signifies that turnover intention for females is higher than that of males and as both the average is below 3, showing that most intend to stay.

### 4.5. Discussion

Like other research in this area, this research does not address "obvious" reasons for intention to quit like family circumstances, better offers from other employers, planned moves, etc. Therefore, the discussion about the size of the effects found in all studies about organizational culture should not be that those influences are so small, but that they are relatively large compared with reasons outside the realm of organizational culture.

In this research, it was found that perception of good HRM Practices has a significant association with lower turnover intention. This finding supports earlier research by Nivethitha et al. (2014) which showed that better HRM Practices increased employee's psychological contract, which influences an employee's turnover intention. The perception of good Level of Cohesiveness was found to have a significant association with lower turnover intention in this study. This conclusion confirms earlier research by Lee, Hung and Chen's (2012) which found that if the Level of Cohesiveness increases the turnover intention decreases. Also, Guchait, Paşamehmetoğlu, and Madera's (2016) study on 345 frontline employees of hotels in Turkey revealed that when an organization's group cohesiveness increases, stress decreases, and when stress decreases turnover intention also decreases. The perception of good Social Motivation was found to have a significant association with lower turnover intention. Yaoprukchai & Kardkarnklai's (2014) findings also showed that Thai employees prefer working in an organizational culture characterized by parent-like ties upholding the cultural value of a family-like cohesive unit.

It was also found that perception of good communication has a significant association with lower turnover intention in this study. This conclusion supports Mohamad's (2008) case study findings of hotel employees in Malaysia that communication affects turnover intention. In our study, better perceptions of Job Variety, Innovation, Ongoing Onboarding and Guest Focus were found to have significant association with lower turnover intention while work norms did not show a significant relationship with turnover intention. Iyigun and Tamer (2012) found perceived organizational justice had a significant relationship with turnover intention, but work norms did not. Contrary to Zaniboni et al. (2013) who found that increased task variety led to less work-related burnout and turnover intentions for younger workers compared to older workers age was not found to modify the association between Job Variety and lower turnover intention. Kesen (2016) observed in his empirical study that training and innovation have a significant power to reduce turnover. Kwan et al. (2012) noted that effective onboarding increased employee commitment and decreased turnover intention. Lu's (2006) study found customer focus had indirect effects on turnover intention. This study confirmed these previous research findings in a very different environment, first with subjects from a very different

cultural background and secondly in a five-star hotel environment where the bar for performance, training, and behaviour, is much higher than in the average hospitality property.

In this analysis, gender was found to have a significant association with turnover intention. Also, the turnover intention of females was found to be higher than males in this study. This is similar to the results of other studies. For example, Emiroğlu, Akova and Tanrıverdi's (2015) study at five-star hotels in Istanbul found gender to be one of the determining factors of turnover intention. The study found that female employees had a higher turnover intention than male employees, which was attributed to the roles and responsibilities females have in their families. Similarly, other researchers who investigated this issue concluded that this result stems from the responsibility of women in their families (Keith & McWilliams, 1995; Sicherman, 1996). For female employees, promotion opportunities and work-family balance were connected to turnover intentions, while for men the clarity of the job description was a significant predictor for leaving. These results should be considered when developing genderspecific HRM policies to retain highly-educated staff (Blomme et al., 2010). In our research, education, working department, and tenure did not have a significant association with turnover intention. This result is contrary to the study by Emiroğlu et al., (2015). Also, age and tenure did not have a significant relationship with turnover intention which is contrary to similar research (Ghiselli et al., 2001; Karatepe et al., 2006; Nadiri & Tanova, 2010).

## 4.6. Regression Analysis

Data analysis included multiple linear regression analysis with backward removal. **Dependent:** Turnover Intention **Independents:** Level of Cohesiveness, Ongoing Onboarding, Work Norms, Social Motivation, Guest Focus, HRM Practices, Job Variety, Communication and Innovation.

## 4.7. Model Summary

In the model summary after the backward removal procedure,  $R^2$  value is found to be .164, and Adjusted  $R^2$  value is found to be .146.

	standardized oefficients		ndardized efficients		95% Co Interva	onfidence 1 for B	Collineari Statistics	~	
Model	В	Std. Error	Beta	t	Sig	Lower Bound	Upper Bound	Tolerance	VIF
6(Constant) Level of	5.664 339	.541 .179	184	10.477 -1.888	.000 .061	4.597 693	6.730 .015	.473	2.114
Cohesivenes Social	s 354	.171	209	2070	.040	691	017	.440	2.274
Motivation HRM Practices	390	.174	246	2236	.027	733	046	.369	2.710
Innovation	.349	.158	.238	2.210	.028	.037	.660	.387	2.587

## Table 3 Coefficient Table

From the coefficient Table 3, it is seen that only Social Motivation, HRM Practices, Innovation are significant independents explaining 16.4% of the variance in Turnover Intention. An R<sup>2</sup> of .164 indicates that the regression model captures 16.4 percent of the observed variation in the data and that 83.6% of the observed variation in the dependent variable is not explained by the

model used in the regression. It is to be noted that the cultural organizational second-order influences still have a relatively large impact on  $R^2$ . Also, there was no collinearity among the variables in the analysis. After reviewing 315 articles where regression analysis was undertaken Choi, Florian and Miller (2016) observed a wide range of values of  $R^2$  with no minimum threshold. In a study by Wang, Tsai, Lei, and Lai (2016) the model explained 8% of the variance in turnover intention. Given our model explained 16.4 % of the variance in turnover intention it can be concluded the model provides useful insights for five-star hotels in Thailand in predicting turnover intention.

## 5. Conclusions/Recommendations

Our research findings indicate a significant association between better HRM Practices, Level of Cohesiveness, Social Motivation, Communication, Job Variety, Innovation, Ongoing Onboarding, Guest Focus with lower turnover intention. The regression analysis model found that 16.4% of the variance in turnover intention can be explained by Social Motivation, HRM Practices, and Innovation. Furthermore, the findings indicate a significant association between gender and turnover intention. This study has provided support for the relationship between organizational culture factors and one demographic factor with turnover intention, however, several limitations need to be recognized. Participants in the current study were employees from one five-star hotel in Bangkok, Thailand. Future studies should be conducted with a larger sample size and collect data from diverse populations, including employees from other categories of hotels and from various geographies to allow more specific comparisons to be made. While caution is of course needed in generalizing to other populations/settings, it is seen that the results are similar to research findings in other countries, particularly in Western cultures. It is hoped the results provide some insight to five-star hotels interested in understanding the impact of organizational culture factors in improving retention rates especially given the limited research in the sector.

Based on the findings, the implications for management practice at five-star hotels in Thailand include the need for greater emphasis on improving HRM Practices, Level of Cohesiveness and Social Motivation to decrease turnover intention and ensure a stable workforce. Also, given that females indicated a higher propensity toward quitting their job than males, greater scrutiny of female five-star hotel employees' concerns and needs should be addressed. Vanderbroeck (2014) argues organizations confuse equal opportunity with equal treatment. He suggests equal gender treatment is appropriate for salary and bonuses but providing a choice of benefits that cover real needs and creating an infrastructure that makes it easier to integrate career and family may well have a higher impact on female retention. Moreover, "high potential pools" for older age groups and flexible entry and exit points may help to prevent females permanently leaving the organization.

There is still substantial variance to be explained regarding organizational culture and turnover intention in five-star hotels in Thailand. This was a cross-sectional study which provided a snapshot in time. It would be beneficial to do some longitudinal studies in the accommodation sector to see what kind of change happens over a period. Exit interviews and better tracking of the reasons why employees are leaving could also help to shed light on how to address the high turnover rates. Also, as female turnover intention may tend to be higher, research could examine whether offering different benefit packages to address work-life balance at five-star

hotels impacts turnover intention. Furthermore, older workforce, as well as millennials, may also need various incentives to stay (Kitterlin, 2017). These are some of the areas future research can focus on.

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# DO LEISURE TRAVELERS GET SATISFIED? A MEASUREMENT APPROACH FROM NORTHERN CYPRUS HOTEL CONTEXT.

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## Abstract

In hospitality industry, service quality is treated as a source of customer satisfaction (Lai, & Hitchcock, 2017). Most studies measuring service quality have either focused on the service employees or the financial performance of the organizations. This study therefore seeks to adopt ACSI to empirically measure tourists' satisfaction in 5-stars hotels in North Cyprus. Using this model, a cross-sectional research survey was used to collect data from 200 hotel guest in the space of two weeks. This data was analyzed SPSS v 20. Our findings revealed that tourists' expectation impacts the quality of delivery, generates growth opportunities and reduce cost.

Keywords: ACSI, H-CSI, Customer Satisfaction, Tourists' satisfaction

## Introduction

Hospitality businesses like every other business acknowledge the importance of customers to the sustenance and success of their establishments. Specifically, in hotels and restaurants which are the main outlets of service delivery in hospitality sector, customers' satisfaction is considered as one of the crucial determinants of company's performance. Extant literature has extensively investigated the need for quality in manufacturing industries and more recently in service industries. Quality in services is particularly important due to the intangibility nature of service. As such, the importance and value of quality in service delivery cannot be overemphasized. Specifically, customer satisfaction has been found to be a key factor for organizational profitability and performance (Sun, & Kim, 2013). Dani (2014) noted that increasing decline is loyalty customer is perhaps the pressing challenge in the industry. He further highlighted that the decline is attributable to the lack of loyal customers as business are unable to consistently delivery high quality service. Leveraging on customer's positive word of mouth is a profitable means of marketing and customer attraction for businesses; however, customers only share about excellent and poor experiences. As such, business owners must

strive to always achieve excellent service delivery in order to both retain and recruit their customers.

This understanding is necessary for firms in order to consciously invest in resources that will promote customer satisfaction (Sun, 2013). Scholars have empirically proved that sustaining loyal customers requires high level of customer satisfaction (Siddiqi, 2011). And loyalty is also a foundational ingredient of building profitable business venture. Subramanian (2014) noted that academicians and practitioners 'focus has been drawn to customer satisfaction because of its inherently potential to contribute to the overall business performance.

According to Deng et al's (2013) study on the use of American Customer Satisfaction Index (ACSI) model in investigating Taiwanese hotels guest satisfaction, ACSI model can be employed in examining both local and international guest's satisfaction and may be used especially in turbulent market environment. Today, business owners are striving to match up with the demands of consumers as the technology use is altering the need and demands of the consumers. Today's business world is dynamic; the environments as well as the products are changing with every change in demand thus business owners must innovatively create products that must be competitive enough to satisfy the consumer needs.

Our current study intends to assess ACSI model in the context of Northern Cyprus Hotels. That is; this study examines the relationships of perceived value, perceived quality, customer satisfaction, customer complaints and customer loyalty using the ACSI model as a foundational theory for the evaluation of customer expectation on the stated constructs. Further, building on Drori's (2013) work we also propose that thematic arrangement in hotels may also encourage global attraction of customers.

## Literature Review and Theoretical Underpinnings

ACSI Model includes variable like Perceived quality, Perceived value, Customer expectation, Customer satisfaction, Customer loyalty and Customer complaints. This model is effective in explaining the antecedents (customer expectations, perceived service quality and perceived value) and the consequences (customer complaints and customer loyalty) of customer satisfaction (Deng, Yeh, & Sung, 2013). ACSI model is design to estimate customer satisfaction index through econometric measures that enables organizations to develop segments within the organization that ensures the inputs from customers are indistinguishable from the organization. According to Fredriksson (2013), ACSI helps in building nomological legitimacy that models the expectations of the customers. Fornell, (2005) also proposed that ACSI is adequate for delivering fulfilment to customers as the model measures solitary variable of fulfilment which is capturing the customer's expectations. An essential target is to gauge the impact of ACSI on client reliability, develop of general significance in the assessment of present and future business execution. Figure below shows the ACSI model utilized for the private part, with an extended adaptation demonstrated.

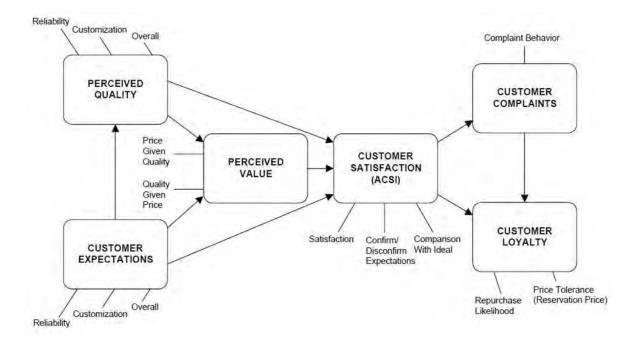


Figure 1: ACSI Model

Source: American Customer Satisfaction Index Methodology Report

Hypotheses development

The perception of quality that customers ascribed to the services received; that is; perceived quality plays a critical role in developing vision and plan for organizations as quality is an essential attribute of service that attracts and retains customers. In examining the perceived quality of their service, most organization turns to Parasuraman et al.' (1988) dimensions of service quality (i.e. responsiveness, tangibles, empathy, affirmation and unwavering quality). In hotel business, these dimensions are adapted to evaluate guests' perceived quality of the hotels.

Specifically, since service experience starts from the first contact with the organization, lodging directors should consciously ensure that they deliver customized and up to date administrative unit that meets the customer requirements which are necessary for increasing the business fortune. Such customization may be in areas of delivering agreeable rooms, speedy internet hubs, and smooth check-in and out. Further, in customizing, organizations tends to provide services that matches the changing demands of the clients such as making efforts to emphatically ensures that client's receive their expected form of services.

Community administration engagements and absence of esteem for administration customization may impact worldwide and nearby visitor's apparent quality. In lieu of the aforementioned grounds, we hypothesize that

H1: Hospitality customer expectation will positively and significantly relate to perceived quality.

Customer expectations

Every service experience be it positive or negative are often judged based on it level of meeting the preformed service expectation in the mind of the clients. In delivering service, environmental ambience, nature of service, as well as the approach of delivery all cumulates in determining the guest perception of service delivered. According to Lewis and Mccann (2004), the robustness of the relationship or correspondence between business representatives and their guest is a function of the conveyance mechanism of cordiality from the business to the customers. Mattila and Enz (2002) explained that the combination of unprecedented administrative representative's attitude and practices sways customer expectation in favor of the business. In deciding on the choice of business provider, Lin (2018) asserted that customers are usually influenced by the sentiments of use. Therefore, hoteliers need to appeal to the use sentiments of their customers in order to attract more customers (Jang & Namkung, 2009). Havlena and Holbrook (1986) also indicated that the characteristic of the administration conveyance process also contributes to changing the customers' emotions through their service experiences. More importantly, they suggest that customers negative emotion impact their sense of fulfilment more than the positive ones. Conversely, Hosany, Prayag, Van Der Veen, Huang, and Deesilatham, (2017) asserted that positive emotions impacts customers level of satisfaction with services more than the negative emotions.

Several scholars (e.g. Han, Back, & Barrett, 2009; Jung & Yoon, 2011) have demonstrated the mixed result of positive and negative emotions on customer fulfillment thereby suggesting that the overall emotions of the customers must be keenly monitored and deliver service that motivate emotion of fulfilment for the customers. Additionally, customers desire has also been identified in literature as a core antecedent of customer fulfillment (Lin, 2018; Hosany et al., 2017; Mattila & Enz, 2002). Hence, we develop our next hypothesis as:

H2: Hospitality customer expectation will positively and significantly relate to perceived value.

## Perceived value

According to Zeithaml (1988), customer generally assesses administration utility based on their recognition of what is given vis-a-vis what is picked. Clearly, customers' esteem of a service is usually built on their experience of the service (Holbrook, 1996). Essentially, the perceived worth of service rendered is a determinant of the perception of quality that will be attributed to such service. Previous studies have highlighted that the worth of an item, goods or services is the difference in perception of value received in relation to the cost incurred in receiving the service. Accordingly, clients' utilization worth is associated with the feelings reinforced by identifying and selecting a service without interference from external forces. As such, there exist a positive relationship between customers' perception of quality and the fulfilment they derived from the service. Drawing on this argument, our next hypothesis is developed as:

**H3**: Hospitality customers' perception of quality will significantly impact their perception of value.

## Customer satisfaction

Perhaps the bedrock of every successful business empire; customer satisfaction has been found to influence clients behaviors and intention towards a service and/or brand. As in every case, perception of quality affects customers' sense of fulfilment and perceived values (Rahimi, & Kozak, 2017). Brochado and Pereira (2017). concluded that client fulfilment is the outcome of administration quality. As proposed, perceived quality impacts clients fulfilment (Bansal, & Taylor, 2015; Dutta, Parsa, Parsa & Bujisic, 2014). Oliver (1980) described customer satisfaction as the comprehensive fulfilment of customers' expectations. It is a feeling derived from experiencing some product or service. Marketing efforts are directly connected to customer satisfaction and occasionally it is linked to consumer buying behavior. If a customer is satisfied with a service after the service experience, then such customer may have higher chances of repeating his/her purchasing behavior of that same service or product. The intentions to repeatedly purchase the product rely heavily on customer satisfaction (Bansal, & Taylor, 2015).

According to Johnson, Gustafsson, Andressen, Lervik, and Cha (2001), customer expectations grows from customers' previous service experience of a services as well as through marketing platforms, advertising along with word-of-mouth information (Johnson et al., 2001). Similarly, hotel guest/customer judges the performance of an hotel based on their expectations. So, it is important for an hotel or accommodation providing outlets to identify what the customer' expectations are and to strive not only to meet their expectations but also to exceed them in order to maximize their satisfaction (Han and Back, 2006; Jang and Namkung, 2009; Ladhari, 2009; Mattila and Enz, 2002) and saw esteem (Fornell et al., 1996; Anh, & Thuy, 2017; Ali, Kim, Li, & Jeon, 2016). Following the above logical reasoning, our next sets of hypotheses are developed as:

H4: Hospitality customer expectation will increase level of customer satisfaction.

**H5**: Perception of quality by hospitality customer will significantly and positively relate to customer satisfaction.

**H6**: Perception of value by hospitality customer will significantly and positively associate with customer satisfaction.

## Customer complaints

Blattberg, Kim, and Neslin (2008) asserted that customer complaints are crucial landmarks in building healthy relationship between firms and their customers. Although non-transactional in nature, customer complaints possess the real feedback of customers perception of service received and major cause of action for firms to take in order to satisfy their customers. How complaints are handled (i.e., the recovery) marks the "acid test of a company's customer orientation" (Homburg and Fürst 2005, p. 95). This also may well be a determining factor in asserting the form of outcome the complaints will yield whether positive or negative. An astonishing recovery may turn complaining customers into devoted ones and engender more goodwill than if the letdown had not happened in the first place (Istanbulluoglu, Leek, & Szmigin, 2017); on the other hand, an unsuccessful recovery can leave customers feeling even shoddier about the company and enterprise them to stop dealing with the firm (Collier, Barnes, Abney & Pelletier, 2018). Following this flow of reasoning, we hypothesize that:

H 7: Hospitality customer satisfaction will decrease with increasing level of unmanaged customer complaints.

Customer loyalty

Loyal customer is the dream of every business organization because as loyalty increases in customers they tend to become advocate of the firm, increase their repurchase behavior, become friendly with firm all of which allows firms to minimize budget on marketing. Also based on Rauch, Collins, Nale, and Barr, (2015) findings, loyal customers also spread positive information about the firm formally and informally. Loyalty also tends to increase customers fulfilment (Wu & Li, 2017).

Prior studies found that customer fulfilment results in customer loyalty (Lin, 2018; Einwiller, & Steilen, 2015); they also demonstrate that loyal customers will repurchase and give positive verbal promoting and proposal (Fornell, 1992; Zeithaml et al., 1996). Thus, customer fulfilment is a key element of delivering impeccable services. Therefore, the last hypothesis is developed as

H8: hospitality customer satisfaction will increase with increasing level of customer loyalty.

Methodology

Sample and data collection

Turkish and International tourist sample are drawn with the aid of convenience sampling technique. These respondents must have travelled to Northern Cyprus with leisure being their sole purpose of visit. They must also be accommodated in 5-star hotel in their entire period of stay in Northern Cyprus. In order to facilitate the survey, permission to conduct the study was taken from managers of the hotels selected purposefully for the study. Further, assurance of confidentiality and anonymity was given to both the respondents and the hoteliers before the actual survey exercise began.

Based on Wilson's (2010) recommendation, our survey instrument was back-translated to Turkish and Persian in order to capture the full extends of diverse nationalities mixed in the international tourist category. Thus, our survey was conducted using 3 languages; Turkish, Persian and English since the overwhelming majority of leisure travelers to Northern Cyprus are Turks, Iranians and British. A pretest with 15 respondents 5 from each nationality stated above was conducted to prevent any ambiguity or misunderstanding of survey items. The outcome provides face and content validity for our questionnaire as all pretest respondents perfectly understood the questions asked.

We distribute a total of 200 survey instruments, out of which 176; 45(Persians), 53(British) and 75(Turks) were returned and used for the study analysis.

Questionnaire design and data analysis

Our questionnaire was an adaptation of the ACSI model containing two main sections. Section 1 focus on understanding the customer using all the dimensions in ACSI model while the second section focus on elucidating the respondents' demographic details as well as their travel history.

SPSS 20 software package was used to analyze the data obtained from this study. The measurement model of the study construct was checked using exploratory factor analysis together with descriptive statistics while our hypotheses were checked with regression analysis.

#### Findings

#### Respondents' profile

As detailed in table 1 below, the overwhelming majority (79.2%) of our respondents are aged between 28 and 47 years. Less than 8% are between 18and 27 years while the remainder are 48 years or older. In terms of education status, our respondents are educated as 98.66% has obtained high school or higher level diploma. With regards to gender, the respondents are almost evenly distributed as 51.01% are males. Vast majority of our respondents can afford luxurious vacation has shown in their income levels with about 54% earning between 5000\$ and 2000\$ monthly.

#### Table I

Respondents 110me (iv 140)	Respondents'	Profile (	N=148)
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Demographics	Frequency	%	
Age			
18-27	11	7.38	
28-37	58	38.93	
38-47	60	40.27	
48-57	20	13.42	
Gender			
Male	76	51.01	
Female	73	48.99	
Education			
Primary school	2	1.34	
Secondary/High school	58	38.93	
College/University	70	46.98	
Graduate/Higher	19	12.75	
Length of Stay			
2-3 days	12	8.05	
4-5 days	49	32.89	
6-7 days	65	43.62	
More than 1 week	23	15.44	
Frequency of stay			
1-3 times	51	34.23	
4-6 times	58	38.93	
7-9 times	35	23.49	
More than 10 times	5	3.36	
Nationality			
Foreigner	73	48.99	
Turkish	76	51.01	
Income			
Less than 1000\$	10	6.71	
Between 1,000\$ and 5,000\$	58	38.93	
Between 5,000\$ and 10,000\$	59	39.60	
Between 10,000\$ and 20,000\$	22	14.77	

Note: N=Number of respondents.

### Reliability analysis

As depicted in table II below, all items loading under their underlining constructs with factor loadings >0.40 threshold level. Also, results of Cronbach's alpha for all construct is >0.70 cut-off value thus satisfying the requirement for internal consistency as recommended by Cortina (1993).

Table III shows the mean, standard deviation and inter-item correlations of the study variables. As expected, all study variables has significant correlations among each other. For instance, frequency of stay has a significant and positive relationship with age (r=. 16, p<. 05).

Table II

Scale Items	Exploratory Factor Loadings	Cronbach's
alpha		
Customer Expectation (CE)		0.80
CE1	.729	
CE2	.729	
CE3	.724	
Perceived Quality (PQ)		0.81
PQ1	.700	
PQ2	.678	
PQ3	.673	
Perceived Value (PV)		0.78
PV1	.843	
PV2	.777	
Customer Satisfaction (CS)		0.74
CS1	.835	
CS2	.785	
CS3	.692	
Customer Loyalty (CL)		0.92
CL1	.873	
CL2	.712	
Customer Complaints (CC)		
CC1	.811	

Scale Items and Exploratory Factor Loadings

Note: All factors loaded on their respective construct and all loadings were above the required threshold of .40.

#### Result of hypothesis testing

Results from simple regression analysis lend support to all hypothesized relationships. Specifically, result for hypothesis 1 is ( $\beta$ =.77, *P*<.001), hypothesis 2 ( $\beta$ =.26, *P*<.05), hypothesis 3( $\beta$ =.53, *P*<.001), hypothesis 4 ( $\beta$ =.26, *P*<.001), hypothesis 5 ( $\beta$ =.59, *P*<.001), hypothesis 6 ( $\beta$ =.78, *P*<.001), hypothesis 7 ( $\beta$ =.-67, *P*<.001) and hypothesis 8 ( $\beta$ =.81, *P*<.001). kindly see tables IV, V and VI.

## Table IV

	Dependent Variables				
	Perceived Quality		Perceived Va		
	β	t	β	t	
Predictors					
Customer Expectation	.77**	15.01	.26*	3.10	
Perceived Quality			.53**	6.17	
$\mathbb{R}^2$	.60		.5	7	
F		.8**	98.3		

## Regression analysis of customer expectation, perceived quality, and perceived value

Note: \*P<.005, \*\*P<.001

## Table III

# Correlation of study constructs

Variables	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12
1. Age	2.60	0.81	1											
2. Gender	0.51	0.50	.159	1										
3. Education Level	2.71	0.70	.044	.076	1									
4. Income	2.62	0.82	.391**	.158	.199*	1								
5. Frequency of Stay	1.96	0.85	.163*	.113	.220**	.193*	1							
6. Length of Stay	3.66	0.84	041	.040	.111	.022	058	1						
7. Customer Expectation	3.17	0.93	.195*	.175*	.059	.345**	011	.019	1					
8. Perceived Quality	3.09	0.96	.093	.092	.057	.383**	001	043	.778**	1				
9. Perceived Value	3.18	1.08	.219**	.178*	.034	.373**	003	045	.680**	.739**	1			
10. Customer Satisfaction	3.13	0.99	.252**	.174*	.057	.410**	015	.045	.725**	.800**	.783**	1		
11. Customer Loyalty	2.93	1.26	.311**	.081	.038	.464**	.076	087	.733**	.780**	.784**	.819**	• 1	
12. Customer Complaints	2.40	1.27	163*	123	127	361**	*111	.033	653*	*662**	*714*	*678*	*767**	* 1

\*P<.005, \*\*P<.001, SD= Standard Deviation, Age, Length of stay and Frequency of stay are measured in four categories each.

## Table V

Regression analysis of customer expectation, perceived quality, and perceived value on customer satisfaction

		Dependent Variable	S	
	Customer Satisfaction			
	β	t	β	t
Predictors				
Customer Expectation	.26**	3.42	-	-
Perceived Quality	.59**	7.85	-	-
Perceived Value			.78**	15.25
R <sup>2</sup>	.60	I		61
F	146	.05**	23	32.71**

Note: \*P<.005, \*\*P<.001

## Table VI

## Effects of Customer Satisfaction on Customer Loyalty and Complaints

	Dependent Variable	25
	Customer Complaints	Customer Loyalty
Predictors	βt	βt
Customer Satisfaction R <sup>2</sup> F	67** -11.19 .46 125.21**	.81** 17.33 .67 300.54**

Note: \*P<.005, \*\*P<.001 significant at level of .05.

## Discussion

Our study first use the famous ACSI model to identify the measurement of leisure tourist satisfaction in the context of hospitality in Northern Cyprus. Empirical result reveals that ACSI model resonates with the service delivery model found in hotels services in North Cyprus. That is; testing customer satisfaction level with ACSI model is a welcome development in the industry.

The significance of this study extends the application of ACSI to northern Cyprus hotel industry, and also confirms the popular notion that customer satisfaction leads to higher customer loyalty, increased repurchase intentions and reduced complaints. More importantly, satisfied customer will not stopped at being loyal but will also propagate the business through their word of mouth communication.

In the hospitality service, the nature of products such as its tangibility and customization are presented to the customers by the firms. As such, extra effort from customer-contact employees is required to deliver satisfying services. More importantly, marketing efforts should be focused on harnessing the loyalty of customers through the delivery of high quality service that will lead to long term performance of the company (Manafi et al., 2011).

The customer satisfaction index in hospitality industry is lower than that in the production industry according to ACSI however, putting the nature of service into consideration it can be noted that delivering the products level of satisfaction as we currently have is a significant achievement for the industry on the path to delivering perfect satisfaction (Fornell et al., 1996).

### **Managerial implication**

Managers of hotels with great vision to maximize profit through engaging satisfied customers may draw on the findings of this study as it details the mechanism through which firms can increase the satisfaction level of their customers. By following the ACSI model used in this study, managers can begin to build strong network of loyal customers by ensuring that they deliver services that resonates with the customers' emotional expectation such that it gave them perception of quality, value and overall satisfaction. Further, the findings of this study also confirms that managers can take advantage of customers complaints to identify the weak point in the operation chain and make adequate corrections that will not only meet the expectation of the customers but also change their perception of the organization as a whole.

#### **Research implication and limitation**

Being a cross-sectional research, the current study is liable to some limitations. We recommend that future researchers to adopt a longitudinal approach. Also, our study only evaluate the use of ACSI model in the study context, future research may also examine the difference within groups of tourist (e.g. will there be a significant difference between perception of Turkish tourist from international tourist?).

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# AN INVESTIGATION OF HOW USER GENERATED CONTENT INFLUENCES PLACE AFFECT TOWARDS AN UNVISITED DESTINATION

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## Abstract

This research aims to explore how and why individuals form emotional bonds with an unvisited destination from user generated content (UGC). Extended photo-elicitation technique and go along interview will be applied to collect data which will be analysed with template analysis. Conceptual framework of the influence of UGC on place affect formation and behavioral intention consequences toward unvisited destinations will be developed.

*Keywords: user generated content, place affect, unvisited destination, photo-elicitation, destination marketing organisations* 

#### Introduction

Shifts in technology have altered the communication landscape whereby Web 2.0 has enabled web users to do more than just read information. Today, users can create information, referred to as 'user generated content' (UGC). UGC is the content created by end users and may include visual formats such as images and video, or text formats such as blogs and posts. In the context of tourism, user-generated content has been shown to impact tourists' attitudes (Kim & Stepchenkova, 2015), destination branding (Munar, 2011), destination image formation (Stepchenkova & Zhan, 2013), travel planning behaviour (Cox, Burgess, Sellitto, & Buultjens, 2009), and tourists' behaviours (Hidalgo-Alcázar, Sicilia, & Ruiz de Maya, 2014). To date, however, the impact of UGC on

emotional bonds with destinations (conceptualized as 'place affect'), and specifically towards unvisited destinations, is not yet fully understood. Also, place affect is still under researched and its conceptualization needs to be clarified. The present study will bridge this knowledge gap by investigating how UGC impacts place affect formation towards unvisited destinations, and how it influences behavioural intentions toward those unvisited destinations.

Thirty Thai tourists, who have developed a strong place affect with unvisited destinations will be recruited through social media advertising to ensure their appropriateness to meet the objectives of this study. Extended photo-elicitation technique and go along interview will be applied. Photo-elicitation technique will be extended by using a range of media such as textual, visual, audio and video unlike the traditional approach, which is limited to photographs only. A place affect conceptual framework will be developed to provide a better understanding of people's emotional bonds with unvisited destinations. Managerially, the findings will be helpful for future policy development to promote destinations in Thailand.

## Literature review

There is no general agreement on a definition of 'place affect' in related literature (d'Hauteserre, 2015). The more general term 'affect' has overlapping, even slightly confusing meanings such as emotion, body reaction, and force. There are three basic perspectives currently being adopted in the literature, (i) the emotional perspective, where affect refers to emotional control by the mind to judge an environment in order to respond appropriately (Barrett, 2011); (ii) affect as a link between perceptions and a part of the mind that individuals are unaware of, but that has an effect on behaviours and emotions (Erevelles, 1998). The second perspective refers to a body reaction such as a potential of a body's ability to shift from feeling into action when a body encounters mixed forces; for example an individual feels fear then might cry (Solms & Nersessian, 1999); biological responses to various stimuli, which show on the skin such as the facial area, vocal, musculature, and autonomic system (Holinger, 2009). (iii) The last perspective views affect as 'force', where affect is viewed as forces and intensities that instinctively push individuals toward movements, beliefs and extensions (Mellers, Schwartz, Ho, & Ritov, 1997).

## Place affect

'Place affect' refers to one perspective of 'place attachment', which focuses on emotional bonds with a particular place (Manzo, 2003; Ramkissoon et al., 2012; Tuan, 1980). Place attachment can be defined as connections between individuals and particular environments (Altman & Low, 1992; Kil, Holland, Stein, & Ko, 2012; Manzo, 2013; Rollero & De Piccoli, 2010; Scannell & Gifford, 2010). When individuals experience places, they may get attached to those places. These attachments motivate them to revisit (Hui et al., 2007; Tonge, Moore, Ryan, & Beckley, 2013). Place attachment draws from attachment theory by Bowlby (1982), who observe the infant-mother bond.

However, even among those researchers who have been inspired by Bowlby's attachment paradigm, the views on what bonds are considered as 'attachment' are not agreed. Hammitt et al. (2006) outline that there are numerous dimensions of place attachment to explain the bonds between individuals and places. Place attachment has been named differently depending on the view point, and used in the literature as an interchangeable term with 'place identity' (Chow & Healey, 2008), 'place dependence' (Rollero & De Piccoli, 2010), 'place familiarity' (Tan & Chang, 2016), 'place social bonding' (Ramkissoon et al., 2013), and 'place affect' (Pan, Lee, & Tsai, 2014). Furthermore, individuals may not notice or realise their attachment to specific places. They may become aware of their bonds if those bonds are threatened under particular circumstances (Beckley, Stedman, Wallace, & Ambard, 2007; Brocato, Baker, & Voorhees, 2015).

There are several bonds that have been identified and conceptualised as place affect, for example: an affective bond that an individual shares with a place (Ramkissoon et al., 2012); or an emotional bond, which could vary from a pleasurable feeling to a strong affect for a place (Tuan, 1980). Further, it can be conceptualised as a general sense of well-being that makes humans satisfied with environments (Gross & Brown, 2008); a psychological sense of well-being that links local people with a local environment (Ujang, Moulay, & Zakariya, 2015); or a positive emotion that individuals experience with settings (Manzo, 2003). As d'Hauteserre (2015) claims that there is no general agreement on place affect conceptualisation, the researchers will use the term 'emotional bonds toward destinations' to describe place affect in this study.

## Place affect and unvisited destinations

To date, place affect studies have focused on destinations already visited, and how to encourage revisit behaviour (Brocato et al., 2015; Hidalgo & Hernandez, 2001; Kil et al., 2012; Ramkissoon et al., 2013; Ujang et al., 2015). There have however been studies (Cheng & Kuo, 2015; Farnum, Kruger, & Hall, 2005; Williams, Patterson, Roggenbuck, & Watson, 1992) that propose that individuals may form positive bonds with unvisited places. They may create deep emotions toward particular places without direct experiences but rather through secondary sources. Droseltis and Vignoles (2010) note that individuals possibly develop an emotional bond with fantasy locations that may exist in one's imagination but not in reality. Stedman (2002) also argues that individuals link emotions with images of a place instead of actual locations. Emotional bonds can be generated from memories or other people's accounts of places. While emotional bonds with unvisited places is supported in the literature, it is important to note divergent views, that suggest individuals may not develop affect to unvisited places or to those they have just visited only a few times (Beckley et al., 2007; Chow & Healey, 2008; Duerden & Witt, 2010). There is evidence that individuals are able to create emotional connections with unvisited places or destinations. These bonds with unvisited destinations have in fact been shown to influence behavioural intentions (Cheng & Kuo, 2015; Farnum et al., 2005; Stedman, 2002). Individuals link these emotional bonds with unvisited destinations through mental image processes such as visualising or having a picture in mind to create destination images before making an actual visit (Lam & Hsu, 2006). Therefore, destination image may act as a trigger for visiting behaviour towards those destinations in the future (Tsai, 2012).

## Destination image

Destination image can be defined as an integration of knowledge, emotion and perception of particular destinations within an individual's mind (Beerli & Martín, 2004). Pan et al. (2014) explain the impact of emotions on destination image as individuals connect to destinations through positive, neutral, and negative emotions. These emotions link to destination perceptions, to form destination image, destination choice, evaluation, and visiting behaviour. Chi and Qu (2008) point out that basically, individuals are attached to destinations by two factors, which are knowledge or attributes of destinations (cognitive components) and emotional aspects of destinations (affective components).

There are disagreements among researchers whether cognitive components or affective components are more powerful in developing destination image and there is also inconsistency in the orientation of negative and positive valances within those debates (Bigné et al., 2001; del Bosque & Martín, 2008; Yuksel, Yuksel, & Bilim, 2010). Yüksel and Akgül (2007) question why individuals may have several positive beliefs but still feel negatively towards the destination. Also, some beliefs may be evaluated differently, for example: the particular destination may be well-known for its beautiful beach, however, individuals may have different emotional responses to that beach. A possible explanation for this argument might be because of media influences. Even individuals who have never been to a certain destination are able to create images of that destination from media stimulation such as advertising or social stimuli such as word of mouth recommendation from friends and family (Amaro, Duarte, & Henriques, 2016). Kim and Chen (2016) also claim that media content has a robust influence on building destination image. When individuals are stimulated by positive media content with positive emotions, they may create positive destination images of places they have not yet visited themselves.

## User generated content

Technology has played a significant part in forming destination image via indirect experience. It enables both business to consumer and consumer to consumer sharing of content through digital channels (Cox et al., 2009). 'User generated content' (UGC) is one kind of word of mouth communication, named 'electronic-word of mouth (E-WOM)'. It can be any content format such as texts, memes, photographs or videos created and shared by personal users on social media including posts on Facebook, tweets on Twitter, blogs, and videos on YouTube (Amaro et al., 2016). UGC is able to create a higher impact than traditional word of mouth because it is cheaper to produce, has a broader reach and access, and is available all the time (Munar & Jacobsen, 2014).

UGC creates individuals' destination image by interpreting contents they have read or seen through a mental process such as attention, imagery, and feelings (Correa, Hinsley, & de Zúñiga, 2010). UGC also influences emotion towards destinations via other visitors' stories. These stories induce audiences to imagine themselves experiencing those destinations from other peoples' accounts. Therefore, individuals may develop bonds and intention to visit destinations based on these imagined experiences (Ye, Law, Gu, & Chen, 2011). According to a report by Nielson (Nielsen,

2017), UGC is greatly shareable and engaging. 92% of internet users trust content created by other users or family and friends instead of companies such as advertising, promotional campaign and marketing activities. 50% of consumers revealed that UGC was more memorable than content produced by a brand. UGC has also influenced 53% of young consumers in their purchasing decisions. This phenomenon can be explained by social proof theory. Social proof theory refers to people who copy each other's actions assuming that they are doing the right thing (Cialdini, 1984). This theory can be applied in both marketing and tourism contexts. For marketing, Cheung and Lee (2010) suggest that when consumers purchase products or services over the internet, it is often products that buyers have never seen, and sold by a person they have never met. In this buying situation, online consumers have not had a direct experience with the product, and UGC such as high rated products reviews or feedback from other customers, becomes an indicator of the products or service quality. Wang (2015) also emphasises the importance of UGC, with positive UGC creating favourable brand image, reducing risk perception, and increasing purchase intention. On the other hand, Daugherty, Eastin, and Bright (2008) argue that negative information significantly influences consumer attitude. For tourism, Cox et al. (2009) note that tourism is an experience product associated with intangibility and uncertainty characteristics. Therefore, individuals rely heavily on UGC to make decisions with confidence. It is clear that UGC has a strong impact on various individuals' aspects toward destination such as effect of photographs on

tourist attitude (Kim & Stepchenkova, 2015), creating destination branding (Munar, 2011), destination image formation in Peru (Stepchenkova & Zhan, 2013), electronic word-of-mouth impact on hotel bookings (Ye et al., 2011), travel planning behaviour (Cox et al., 2009), and tourists' behaviours (Hidalgo-Alcázar et al., 2014).

## Methodology

## Research design

This study will expand the visual research method strategy by including a range of UGC, not only visual materials. The researcher will adapt a photo-elicitation technique to include all type of media such as textual, visual, audio and video. The goal is to include all relevant sources that will enable the research questions to be answered. In the field of study, visual methods helping to articulate people-place relations are common (Beckley et al., 2007; Manzo, 2005; Rakic' & Chambers, 2012). For example, Stedman, Beckley, Wallace, and Ambard (2004) use a 'resident-employed photography' technique to explore the connection between residents' lived experiences and their community. Harper (2002) explains that there are various forms of visual research methods. Researchers may select photographs for participants or participants may create or choose photographs by themselves. A combination of a range of UGC-elicitation, which extends from photo-elicitation technique to include text and video, and the 'go along' interview technique (Carpiano, 2009) will be applied to collect data. John Collier first applied photo-elicitation technique to study participants mental health when they had to move to another community (Collier, 1967). Kim and Stepchenkova (2015) found that images can arouse deeper emotions than

using words alone. Also, images assist participants who may find it difficult to express their feelings verbally during traditional interview methods.

In this study, participants will be asked to collage media materials of their favourite unvisited destination for example; photographs, logos, poems, messages, slogans or videos. It could be any type of UGC as long as the content is created by other personal users and not official companies, from any social networking site such as the ten most popular social network sites in Thailand, which are Facebook, YouTube, Line, Instagram Google Plus, Twitter, LinkedIn, WeChat, Pinterest, and WhatsApp ("Penetration of leading social networks in Thailand," 2017). Using the elicitation technique allows participants to reflect and feel familiar on the research topic before going through an interview (Harper, 2002). It will also serve as a stimulus for the interview.

The 'go along' qualitative interview technique will be used as well. This technique is used for participant observation to explore human experiences (Carpiano, 2009). The researcher will sit next to the participants when they are collaging their chosen media materials. The researcher will then be able to observe their behaviours such as how they construct each media, do they start from general search engine or specific website, as well as interview them. The participants will be allowed to spend as long as they wish to explore different media materials before they start collaging.

## Data analysis

The data will be collected in Thailand. There will be two types of data for analysis with the aid of NVivo software, which are interview and media materials. The interviews will be transcribed, using template analysis to code and create interpretation themes or patterns. Template analysis is a form of thematic analysis, which is flexible to produce an analytic template in any format and style. It allows the researcher to set up some a priori themes in advance of the analysis process based on the literature but also for new themes to emerge and modify as necessary (Brooks, McCluskey, Turley, & King, 2015). In terms of place attachment themes based on related literature, Altman and Low (1992) reviewed place attachment as biological, environmental, psychological, and sociocultural. Stedman et al. (2004) have identified place attachment as human behaviour and psychological processes. According to Beckley et al. (2007), 12 themes have been categorised as place attachment from biophysical factors such as recreation area, landscape, forest area, water area, flora and work place, as well as sociocultural factors such as recreation infrastructure, history and heritage, family and friends, home, work, and social cohesion.

## Implications

The expected outcomes are the identification of destinations' characteristics that motivate Thai tourists to visit. Additionally, the findings will reveal how individuals develop strong emotional bonds to destinations they have never been to, and provide an understanding of their behaviours and preferences toward those unvisited destinations. Destination marketing organisations (DMOs) will be able to improve communication strategies using social media channels. DMOs can use the

place affect framework developed in this study to better generate desirable emotional responses and increase intentions to visit. Furthermore, DMOs can use the findings to encourage other positive behavioural intentions that stem from place affect beyond visitation, such as donation behaviour, intention to volunteer, and intention to recommend to others.

A place affect conceptual framework will be developed to provide a better understanding of people's emotional bonds with unvisited destinations. Managerially, the findings will be helpful for future policy development to promote destinations in Thailand. Tourism marketing organisations are not passive, and can influence consumer generated content, resulting in UGC that can grow their destination. Through the telling of stories in the UGC (visual or textual), these tourism marketing organisations can encourage positive destination behavioural intentions.

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## IF YOU MEET THE BARRIER, HOW DO YOU FACE IT? BY YOURSELF OR BY OTHERS? THE MODERATING MEDIATION EFFECTS OF SOCIAL SUPPORT

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## Abstract

This study explores recreationists' process of internal "leisure constraint negotiation" and verifies the moderated mediation of external social support. After investigating a total of 472 diving recreationists, the research findings show that when leisure constraints are higher, recreationists tend to enhance leisure participation through a negotiation strategy, revealing that the leisure constraint negotiation model exists in diving. Based on the result of moderated mediation, external social support reduces the impact of internal leisure constraint on leisure constraint negotiation, yet it strengthens the relationship between constraint negotiation and leisure participation. Finally, this study proposes managerial implications.

Key Words: Leisure constraint, constraint negotiation, leisure participation, social support

## Introduction

The resources of Taiwan's sea area are rich, and water leisure activities are quite diverse. Among many activities, diving allows people to absorb ecology and landscape under the sea, especially as coastal diving spots are approachable. Thus, it has become one of the more popular water leisure activities. However, the equipment cost of diving is high and requires professional techniques and experience (Thapa, Graefe, & Meyer, 2006). Therefore, when undergoing activity participation, there can be various kinds of constraints that are conceived as leisure constraints (Crawford, Jackson, & Godbey, 1991; Jackson, 2000; Lee & Scott, 2009). Most of the past literature has demonstrated a negative relationship between leisure constraints and leisure participation frequency (Boo, Carruthers, & Busser, 2014; Crawford et al., 1991; Lee & Scott, 2009; Lyu, Oh, & Lee; 2013; Ma & Ma, 2014).

Intrapersonal and interpersonal constraints are particularly the main negative factors of activity participation (Brown, Brown, Miller, & Hansen, 2001; Orsega-Smith, Payne, Mowen, Ho, &

Godbey, 2007). Hence, how to allow recreationists to overcome constraints in order to continue participation in activities has always been an important issue in the research on leisure activities.

Jackson, Crawford, and Godbey (1993) suggested that when activity participants perceive leisure constraints, they overcome them by internal negotiation and will subsequently continue their participation. Hubbard and Mannell (2001) conceived "leisure constraint negotiation" as an internal process of individuals. It means that when individuals face leisure constraints, they avoid the negative impact by actively using or seeking out strategies that can lead to leisure participation (Mannell & Kleiber, 1997; Hubbard & Mannell, 2001). Past empirical research indicated two different kinds of findings. One is that leisure constraints enhance activity participation by internal negotiation. In other words, leisure constraint negotiation plays the role of a mediator (Boo et al., 2014; Lyu et al., 2013; Louck-Atkinson & Mannell, 2007; Wilhelm Stanis, Schneider, & Russell, 2009); the other reveals that there is no significant relationship between leisure constraints and constraint negotiation, which cannot strengthen activity participation (Son, Kerstetter, & Mowen, 2008; Jun & Kyle, 2011; Hung & Petrick, 2012; Ma & Ma, 2014). Thus, past research on the process of "constraint-negotiation-participation" did not offer consistent empirical findings. What is the mediation of leisure constraint negotiation between leisure constraint and leisure participation? This is one of the issues that will be clarified by this study.

Social support is the external-to-internal support system of active intervention. Individuals thus perceive the external support or concern from others (Iso-Ahola & Park, 1996; Kerstetter, Yarnal, Son, Yen, & Baker, 2008). According to many studies, social support is an important moderator (Lin, Huang, Yang, & Chiang, 2014; Rathi & Barath, 2013). Social support can reinforce control capacity perceived by individuals and encourage them to participate in activities (Thomas & Ganster, 1995; VicHealth, 2007). In other words, individuals' degree of perceived social support will influence the performance of their behavior. Son et al. (2008) also mentioned that social support is the resource to explore the constraint negotiation process. Past research was based on traditional research orientation and tended to probe the direct or indirect impact of social support on leisure constraints and leisure participation (Guerete & Smederma, 2011; VicHealth, 2007), neglecting the possible moderating effect of social support in the process of leisure constraint negotiation. In other words, the mediation of constraint negotiation might alter with the degree of social support. Therefore, by verifying the role as a moderated mediator of social support in the process of "constraint-negotiation-participation", we are able to fill the gap of past research.

Some researchers have suggested that the relationship between leisure constraint and constraint negotiation is uncertain (Ma & Ma, 2014) and can be easily influenced by other variables. However, most studies have attempted to strengthen leisure constraint negotiation, tending to explore the reasons to seek out negotiation strategy and leisure participation through personal factors such as self-efficacy, motivation, and extrovert characteristics (Hubbard & Mannell, 2001; Loucks-Atkinson & Mannell, 2007; Lyu et al., 2013) and neglect the possible moderation of external support. Regarding activity participation, personal factors are important. Nevertheless, it is an interactive process and from the perspective of the social interaction theory, aside from

personal factors, there are also external interaction factors on individual participation (Pervin, 1989).

Past research has rarely probed into the process of leisure constraint negotiation by external interaction factors, yet social support is external active interaction. Others care, listen, and actively help to solve problems (Colvin, Cullen, & Thomas, 2002). When recreationists are thus assisted, does it reinforce or weaken the process of leisure constraint negotiation? This is an issue worthy of further study. Muller, Judd and Yzerbyt (2005) also indicated that if moderation and mediation are both targeted in a research framework, then this will be more significant in terms of theory and empirical research. In social and behavioral science, mediation and moderation not only can be the base for researchers to reflect on phenomenon, but also can be the important methodology in the research of social science. Therefore, it is significant to explore the moderated mediation of social support in the mediation process of leisure constraint, leisure constraint negotiation, and leisure participation in order to probe the importance of environmental and social contexts on individuals' leisure participation.

### Literature review

Leisure constraint negotiation process

Researchers in the early 1980s started to probe into constraints that were initially treated as barriers (Jackson & Searle, 1985; Jackson, 1988), insurmountable obstacles (Iso-Ahola & Mannell, 1985), risk (Moutinho, 1987), or inhibitors (Um & Crompton, 1992) to individuals' leisure participation. Jackson (1997) defined leisure constraints as "factors that are ... perceived or experienced by individuals to limit the formation of leisure preferences and to inhibit or prohibit participation and enjoyment in leisure (p.461)." Empirical research has disclosed that constraints influence leisure preferences, participation, and experience (Hubbard & Mannell, 2001; Tsai & Coleman, 2009; Godbey, Crawford, & Shen, 2010). Crawford and Godbey (1987) first conceptualized leisure constraints into intrapersonal, interpersonal, and structural constraints. This classification has been widely applied to various kinds of empirical studies (e.g., Raymore, Godbey, Crawford, & von Eye, 1993; Stanis, Schneider, & Anderson, 2009; Lyu et al., 2013) to explain the relationships from preferences to participation.

Intrapersonal constraints are defined as "individual psychological states and attributes which interact with leisure preferences rather than intervening between preferences and participation" (Crawford & Godbey, 1987, p.122), such as religion, pressure, depression, anxiety, subjective comments on leisure activities, etc. Interpersonal obstacles derive from individuals' interaction with others, such as a lack of companions to participate in leisure activities or a conflict with other participants. Structural constraints are external factors that intervene between leisure preferences and participation (Mannell & Kleiber, 1997), including equipment, time, money, opportunity, season, climate, etc. Crawford, Jackson and Godbey (1991) proposed that three dimensions of leisure constraints are hierarchical and after successfully overcoming each level of constraints, it will result in participation in leisure activities.

Leisure constraint studies recognize that constraints do not prevent leisure participation, but may inhibit or alter leisure preference and participation as people can negotiate constraints (Guo & Schneider, 2015). The concept of constraint negotiation also led to the development of the constraint negotiation process, which emphasizes the role of negotiation efforts in individuals' pursuits (Jackson, 2005). According to Jackson and Rucks (1995), negotiation strategies are commonly classified into cognitive and behavioral strategies. Cognitive strategies relate to the perceived value associated with participation in leisure activity, while behavioral strategies refer to the action taken in order to overcome constraint, resulting in active participation in leisure. The negotiation strategies include Changing Interpersonal Relations, Changing Leisure Aspirations, Improve Finances, and Skill Acquisition (Hubbard & Mannell, 2001, Lee & Scott, 2009; White, 2008; Loucks-Atkinson & Mannell, 2007).

### The moderated mediator of social support

Social support is mainly employed to explain the constructs of theories of physical activity behavior (Planned Behaviour and Sociocognitive Theories) and models (Health Belief and Socioecological Models) (Glanz, Rimer, & Viswanath, 2008; Seabra, Mendonca, Thomis, Anjos, & Maia, 2008). Rosenfeld, Richman and Hardy (1989) defined social support as "an exchange of resources between at least two individuals perceived by the provider or the recipient to be intended to enhance the well-being of the recipient (p.23)". Reber (1995) suggested that social support means others' concern or assistance perceived or obtained by individuals, and the main sources include supervisors, colleagues, and relatives & friends (Caplan, Cobb, & French, 1975). Pines and Aronson (1988) argued that a social support system means people provide emotional support, assistance, and resources for individuals in need, offer feedback, and share standards and values (p.160). Veivl and Baumann (1992) adopted a previous study and classified social support into instrumental and emotional social support. Instrumental social support refers to tangible assistance. Emotional social support means the behavior of concern, listening with sympathy, etc.

Cohen and Wills (1985) proposed the effect model of social support in their research on the relationship between stress and physical and mental health. They argued that social support should be based on direct and buffer effects. As to the direct effect, they assumed that social support can decrease the impact of environmental stress on individuals. In other words, whether in stressful situations or not, it positively influences individuals. Regarding the buffer effect, it means social support can decrease the impact of stress on individuals in stressful situations. It indirectly and positively influences individuals' physical & mental health and life (Fagan, Bernd, & Whiteman, 2007; Scarpa, Haden, & Hurley, 2006). Liu, Kurita, Uchiyama, Okawa, Liu, and Ma (2000) demonstrated that when stress results in a crisis, social support can be employed to elaborate its moderation in the process of leisure constraint negotiation.

Edwards and Lambert (2007) stated that when the relationships among a mediator, independent variables, and dependent variables are influenced by the moderator, it means there is a moderated

mediation. It includes a moderation of two phases. In the first phase, the independent variable and mediator are moderated. In the second phase, the mediator and dependent variable are moderated. In this study, the moderated mediation of the first phase refers to the moderation of social support to the relationship between leisure constraint and leisure constraint negotiation. Past research has demonstrated that when recreationists encounter leisure constraints, they decrease the negative impact by more negotiation resources (Hubbard & Mannell, 2001, Lee & Scott, 2009; White, 2008; Loucks-Atkinson & Mannell, 2007). The research findings are based on no external assistance. When recreationists encounter obstacles and seek out constraint negotiation, the intervention of social support helps solve the problems (Iwasaki & Mannell, 2000) and leads to a solution situation of difficulties. Thus, when coping with leisure constraints, individuals can more easily control and use a negotiation strategy. Therefore, this study suggests that with a high degree of social support, recreationists who encounter leisure constraints tend to use a constraint negotiation strategy to "improve acquisition of activity skills" and "change the desire to leisure activities". On the contrary, with a low degree of social support, recreationists who encounter leisure constraints seek out a constraint negotiation strategy with more personal efforts. They work harder on the employment of a negotiation strategy. Hence, this study infers that social support reinforces the positive relationship between leisure constraints and leisure constraint negotiation.

As to the moderated mediation of the second phase, it refers to the moderation of social support in the relationship between leisure constraint negotiation and leisure participation. Social support means others' emotional and physical assistance to individuals when they encounter difficulties. They encourage them, help them, and reinforce their confidence (Colvin et al., 2002). According to Brown et al. (2001), in comparison to women without support, those with social support could more effectively employ a negotiation strategy. Some studies argued that social support increases individuals' frequency to participate in leisure activities (Lin et al., 2014; Newman, Tay, & Diener, 2014; Pinto, Marcus, & Clark, 1996; Sallis, Hovell, Hofstetter, & Barrington, 1992). Hence, social support positively strengthens leisure participation. Based on the above, this study suggests that under the situation with social support, recreationists can more effectively employ a negotiation strategy to reinforce leisure participation. For instance, when recreationists obtain the support of activity skill information from other recreationists, they might more effectively reinforce their skill acquisition and increase participation frequency. In other words, when individuals actively seek out a negotiation strategy, by obtaining others' tangible and intangible support, it will increase their leisure participation. Thus, social support can strengthen the positive relationship between leisure constraint negotiation and leisure participation. Based on the previous statements of moderation in two phases, this study infers that social support can moderate the mediation of leisure constraint negotiation between leisure constraint and leisure participation.

### Methodology

Sample Selection and Data Collection

From February to April 2018, this study treated the outlet of Hou Bi Lake of Kenting Naional Park of Taiwan as the investigation site and conducted a questionnaire survey. The field study was

based on convenience sampling. The interviewers selected recreationists with diving equipment (not including non-diving tourists, such as those scuba diving or watchers and tourists who play in the water). The interviewers conducted the survey by waiting for the recreationists at the beach showers after they finished diving, distributing a total of 500 questionnaires. There were 472 valid questionnaires for a return rate of 94.4%.

#### Measurement

This study used a structural questionnaire as the research tool. The measurement scales of the questionnaire were based on a Likert 7-point scale, ranging from 1 (strongly disagree) to 7 (strongly agree). This study used the social support scale based on Iwasaki and Mannell (2000), which includes four items: emotional support, esteem support, tangible aid, and information support. This leisure constraint scale developed by Caroll and Alexandris (1997), and included 3 dimensions: intrapersonal constraints, interpersonal constraint, and structural constraints. The leisure constraint negotiation scale was modified from the scale developed by Hubbard and Mannell (2001) and White (2008) according to the characteristics of the participants in this study. There are four dimensions: changing interpersonal relations, changing leisure aspirations, improve finances, and skill acquisition. The leisure participation 3-item scale was based on Hubbard and Mannell (2001) and Son et al. (2008) to measure the actual participation, average days of participation, and frequency to participate in diving.

#### Results

#### Respondents' Profile

Among the respondents, most are men (71.2%), aged 21-30 (34.6%), followed by 31-40 (28.6%), have a university or college (including two-year college) education (43.7%), followed by high school education (26%), work in commerce and industry (21.9%), followed by students (18.9%), equipment costs of below 10,000 (29.6%), followed by 10,001~20,000NT (21.2%), and years of diving experience below 2 years (51.1%), followed by more than 10 years (18.9%).

#### Measurement Model

Confirmatory factor analysis (CFA), with leisure constraint, leisure constraint negotiation, leisure participation, and leisure social support, show that the model fits the data well: Chi-square statistic ( $\chi 2=1323.62$ , d.f. = 539), p = 0.000,  $\chi 2/d.f. = 2.45$ ; goodness of fit index (GFI) = 0.86, the root-mean-square error of approximation (RMSEA) = 0.05, and comparative fit index (CFI) = 0.95. The standardized factor loadings (SFL) of all indicators meet the minimum criterion of 0.50 (Hair, Anderson, Tatham, & Black, 1998). The CRs exceeds .80, which demonstrates the high internal consistency of the latent variables. When the average variance extracted is used to evaluate convergent and discriminant validity, the criterion is that the average variance should exceed .50 (Fornell & Larcker, 1981). In this study, all AVEs are above the suggested value of 0.50, thus, we conclude that our instrument has adequate convergent and discriminant validity.

Mediated Model The results show that leisure constraint is significantly negatively related to leisure participation ( $\beta$ =-.30, p<0.01) and significantly positively related to leisure constraint negotiation ( $\beta$ =.42, p<0.01). Leisure constraint negotiation is significant as a predictor of LP ( $\beta$ =.32, p<0.01). Furthermore, the results show that, after leisure constraint negotiation is considered, the effect of leisure constraint on leisure participation becomes weaker ( $\beta$ =-.43, p<0.01), albeit still significant, which suggests partial mediation. After Baron and Kenny's (1986) four step mediation analysis, this study applies Sobel's (1982) testing for indirect effects in order to further assess the significance of mediation (Mackinnon, Lockwood, & Williams, 2004). If the z score exceeds 1.96, the mediated effect is significant at the .05 level. Results show that the intervening effect of leisure constraint negotiation for leisure constraint is significant (z=3.02, p<0.01). Taken together, Hypotheses 1 is confirmed.

#### Moderated mediation model

In order to avoid the conceptual and mathematical limitations associated with traditional approaches for assessing moderated mediation or indirect effects (Mackinnon et al., 2004; Precher, Rucker, & Hayes, 2007), this study uses PROCESS macro (Hayes, 2013) to simultaneously test all of our hypothesized relations. To assess moderated mediation, four conditions must be examined: (1) the significant direct effect of leisure constraint on leisure participation; (2) the significant interaction effect of the leisure constraint and social support (SS) in predicting leisure constraint negotiation, as well as significant interactions between leisure constraint negotiation and social support in predicting leisure participation; (3) the significant effect of leisure constraint negotiation on leisure participation; and (4) different conditional indirect effects of leisure constraint negotiation, as the essence of moderated mediation (Preacher et al., 2007), establishes whether the strength of the mediation, via leisure constraint negotiation, differs across the different levels of the moderator of social support. Moderated mediation is demonstrated when the conditional indirect effect of leisure constraint on leisure constraint negotiation, differs in strength across low, medium, and high levels of social support.

The results in Table 1 show that leisure constraint is significantly related to leisure participation, which supports condition 1 for moderated mediation. To test for Condition 2, the mediator variable model in Table 3 shows that the interaction term for LC with SS is significant in predicting LCN ( $\beta$ =-.26, p<0.01). We next examine whether the interaction of LCN with SS is significant in predicting LP ( $\beta$ =.15, p<0.01). Taken together, Condition 2 is satisfied. Condition 3 is supported by our results, as shown in Table 1, in which LCN is positively related to LP. Hence, the results based on the first three conditions indicate that SS could moderate mediation for LC. In order to further validate the findings of moderated mediation relationships, this study examines Condition 4, which requires the magnitude of the conditional indirect effect of LC via LCN to be different across low, medium, and high levels of SS. This study uses Preacher et al.'s (2007) bootstrap conditional indirect effects, and operationalized the low, medium, and high levels of LCN as one standard deviation below the mean (4.48), the mean (5.18), and one standard deviation above the mean (5.88). Table 2 presents the results of the bootstrap conditional indirect effects. The results

indicate that the indirect effects of LC on LP via LCN are significant and stronger in the low SS condition (0.09; 95% bootstrap CI=0.007 to 0.1794), but is weaker in the high SS condition (0.04; 95% bootstrap CI=0.0111 to 0.1239). Thus, Hypothesis 2 is supported.

Predictors	<u>_</u>		N	12	M 3	M 3	
	Μ1β	S.E.	β	S.E.	β	S.E.	
First Stage			Second St	age (DV=Ll	р)		
(DV=LCN)							
Constant	3.20**	.19	7.04**	.29	5.54**	.35	
LC	.42**	.04	30**	.06	43**	.06	
LCN					.32**	.07	
F-value	100.80**		46.71**		50.95**		
	.09						
Adjust R <sup>2</sup>	.18				.18		
$\Delta Adjust R^2$					.09		

Table 1 Regression results for testing mediation

Note: \*p < 0.05, \*\*p < 0.01.

Tabl	le 2	Mod	lerated	mediation	analysis

Predictors	First stage dependent variable =LCN			Predictors Second stage dependent variable= LP			ole= LP		
	β	S.E.	t	p		β	S.E.	t	р
First stage(DV=LCN)				Second stage (DV=LP)					
Constant	-6.39	1.04	-6.11	.00	Constant	7.69	2.00	3.84	.00
LC	1.70	.22	7.66	.00	LC	52	.39	-1.31	.18
LSS	1.94	.20	9.60	.00	LCN	51	.06	-7.83	.00
$LC \times SS$	26	.04	-6.07	.00	SS	33	.42	80	.42
					$\text{LCN}\times\text{SS}$	.15	.07	2.02	.04
F-value	132.37**				F-value	33.84**			

Note: \*p < 0.05, \*\*p < 0.01

#### Conclusion

This study demonstrates that in the process of the "constraint-negotiation-participation" model, a leisure constraint negotiation strategy plays the role as a mediator. A leisure constraint negotiation strategy means that when recreationists cope with obstacles, in order to continue the activity, they compromise or negotiate in the activity. Therefore, from the perspective of recreationists, this study proposes the suggestion of employing a leisure constraint negotiation strategy. First, they can search for companions: divers can choose more compatible participants

from past companions to not only exchange diving skills and learn other techniques, but also to treat them as an interface to overcome interpersonal obstacles. Second, they can search for appropriate courses in professional diving institutes: divers can participate in diving courses or camps of professional institutes. If the constraints still exist, then we suggest inviting the instructors to teach them the skills individually to overcome personal difficulties. Third and finally, this study suggests the divers to experience the process of "learning, recognizing and judgment": by collecting the information, divers learn the sites of diving, recognize the characteristics, advantages, and disadvantages, and judge and select the sites that match their needs in order to overcome structural constraints.

This study also demonstrates that social support plays the role of moderated mediation. It reveals that with social support, when coping with constraints, individuals decrease the employment of a constraint negotiation strategy; however, if individuals use a negotiation strategy and acquire external support at the same time, then this will reinforce leisure participation. It shows that the impact of social support on recreationists' leisure constraint negotiation process is significant. From the perspective of operation and management, this study therefore proposes some suggestions for operational units. First, they can set up a virtual diving community to form a network support system. Interaction in a virtual community enhances the sharing of skills, emotional exchange, encouragement and comfort among the members. It will likely be extended to physical support of real diving sites. Second, they can establish customized diving courses of apprenticeship. Divers typically encounter different technical constraints. Thus, if they can design customized diving courses according to different constraint demands with apprenticeship, then the instructors will be able to actively provide assistance and recreationists will acquire instrumental support.

As to suggestions for future research, there are three dimensions. First, this study did not target the degree of recreationists' specialization. However, it seems that individuals' degree of specialization might influence their cognition of leisure constraints. Therefore, we suggest that future researchers can classify leisure constraints of different degrees of specialization and explore their impact on leisure constraint negotiation and participation. Second, from the perspective of external social support, this study explored the process of leisure constraint negotiation. However, the process might be influenced by individuals' traits and attitudes. Therefore, this study suggests including the variables of serious leisure characteristics and engagement to probe for any possible interfering effect of individual factors on the leisure constraint negotiation process. Third, this study treated the samples of a single activity as subjects. We suggest in the future collecting samples of different leisure activities in order to examine the change of relationship among these variables. This could help find whether there are different relationships among different attributes of activities in order to complete the validation of theories.

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## PILGRIMS AS TOURISTS OR TOURISTS AS PILGRIMS THROUGH AGES IN ANATOLIA

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### Abstract

Any travel that is motivated by religion or has sacred sites amongst its destinations is religious tourism or a faith tour. Pilgrimages to ancient sacred sites are considered by many authors as the beginning of the tourism phenomenon. Pilgrimage can be described as a form of travel that is motivated by religion, spirituality or personal issues. Faith tours can be regarded as modern pilgrimages that visit such sacred sites. Largest number of faith tours to Turkey (conducted mostly in Anatolia) is organized by Christian groups. This paper investigates the similarities and differences between pilgrims (as tourists) and tourists (as pilgrims).

Keywords: Religious Tourism, Pilgrimage, Pilgrims, Faith Tours, Anatolia.

### PILGRIMS AS TOURISTS OR TOURISTS AS PILGRIMS

### THROUGH AGES IN ANATOLIA

"A tourist is half a pilgrim, if a pilgrim is half a tourist" (Turner and Turner, 1978, p. 20).

#### 1. Introduction

Religion and spirituality have always stimulated travel. Religious tourism, which has evolved from the ancient relationship between human migration and religion and which is motivated partly or exclusively by religious or spiritual factors, is considered to be the oldest form of travel (Vukonic, 1996, pp. 9-27). Many tourism destinations have been developed largely as a result of their connection to religious ceremonies, conferences and events and as local, regional, national, and international religious centers and shrines. Today, travelling with religious motives is one of the fastest growing tourism activities (Duda, 2014, p. 37).

Religious tourism includes all forms of tourism activities, which are motivated by a religious or spiritual set of beliefs (Buck and Conrady, 2011, p. 203). Religious tourism does not have any clear origins, but it is mostly associated with the religious pilgrimage to sacred destinations (Raj and Morpeth, 2007, p. 15). Pilgrimage is one of the best known phenomena of human culture and religion and it is at the roots of modern tourism (Collins-Kreiner, 2009, pp. 440-444).

Pilgrimage is one type of religious tourism that is mostly long term. Pilgrimage is a departure from the daily life on a journey in search of spiritual well-being, either alone or with a group (Bradley, 2009, p. 11-12). "Pilgrimage is a passage and an arrival, a line and a node, a vector and a raster. It warns us that we are going to die and reminds us of the somatic joy of living. It teaches us that time is short and eternity is timeless." Pilgrimage is about myth, not as something false, but as a process beyond proof. It is an unfalsifiable kinetic act built of legend and bone, superstition and soil (Wright, 2014, p. 32). Pilgrimage focuses on the spirituality and the religious background of a journey. Pilgrimages are not particular to a single religion or group of religions. Rather, the practice of pilgrimage is a central feature of all major faiths (Raj and Morpeth, 2007, p. 46).

Religion is a cultural product, with economic outcomes. Pilgrimage, an economic activity, has an impact not only on the spiritual and cultural domains but also on the economic as well. Through ages, various pilgrimage practices have had a comprehensive impact on politics, economy, and society and even on global health and trade (Collins-Kreiner, 2009, pp. 441). Some of the most notable religious tourism sites have been generated through this early form of travel (Lück and et al., 2013, p. 249). Today, through faith tourism, sacred sites and places are being established as popular tourism-pilgrimage destinations and are being introduced to the general tourism market.

The relationship between religion and tourism is very complex and a subject therefore not only of tourism studies but also of other fields such as anthropology or sociology. Carlos Alberto Streil (Streil, as cited in Stausberg, 2011, p. 10) makes a clear distinction between pilgrimages and touristic religious events. Streil refers to the latter as "less sacred experiences" and introduces the term "religious tourism" based on this description. Other experts have developed a rather culture-focused approach, which emphasizes the importance of cultural heritage and religious facts and

rituals and the tendency of being attracted to spectacles, regardless of being a tourist or a pilgrim (Stausberg, 2011, p. 11).

## 2. Pilgrimage and religious tourism

Religious tourism has been the focus of various academic disciplines for several years and the supply of research is considerable (Margry, 2008, p. 13). However, academics have only recently started to bring the subjective experience of the pilgrims into focus (Collins-Kreiner, 2009, pp. 441-442). Pilgrimage is a spiritual journey undertaken for religious reasons Pilgrimage focuses exclusively on participation in religious ceremonies and events and on the visitation of centers and shrines, which enable a pilgrim to intensify the understanding of his or her own faith (Collins, et al., 2006, p. 1). Defined as a journey to a sacred place or distinctive shrine (Griffin, 2007, p. 16) nowadays the term "pilgrimage" covers a broad field ranging from religious tourism to secular journeys for other than religious purposes. Therefore, a clear definition and delineation of the term is lacking.

Religion is a human phenomenon that affects the individual as well as society and has a great impact on culture in general (Duda, 2014, p. 36). Tourism and religion are not to be seen as two independent subjects, but rather as two frameworks that are linked to each other mainly through cultural and social interaction (Stausberg, 2011, p. 8). Terms such as religious, faith, and spiritual tourism are used interchangeably in order to describe pilgrimage tourism (Smith and et al., 2010, p. 140). Religious tourism is often used as a synonym to pilgrimage. Blackwell (2007, p. 46) states however that although they share similar features, religious tourism and pilgrimage are not the same. Distinctive elements of pilgrimage are the journey itself, austerity both, on the route and at the destination and mediation. Religious tourism is motivated by religion and the destinations are religious sites. But with religious tourism, the travel to the site is not a religious practice, even though travel is an integral part of the experience, as tourists need to travel to religious sites using the available means of transport.

The most visible connection between religion and tourism are the many sacred objects and buildings that are of great interest to tourists. With all faiths, one of the strongest motivators for long-distance travel is to visit religion-related pilgrimage sites and religious centres (Hudman and Jackson, 2003, p. 31). The development of a secular and multicultural society has provided a tremendous opportunity for religious institutions, such as churches, shrines and other religious sites to attract in rising numbers secular visitors who are open to spiritual or transcendent experiences, through which they can discover or rediscover their faith (Roterham, 2007, pp. 69-75). However, often the historical and cultural components of the religious objects and buildings attract the visitors rather than their religious meanings. Sacred objects are primarily kept for their artistic, cultural and historical value. The sacred buildings, where believers satisfy their religious needs, provide attractive visiting points for the more secular visitors (Vukonic, 1996, p. 61-62).

The connection between religion and tourism is manifest not only in the multiple linkages between shared sacred and secular spaces on a global stage, but also through social movements, which offer a complexity of structures and functions that pervade culture and traditions (Raj and Morpeth, 2007, p. 1). "Faith (religious) tourism" specifically "encompasses all kinds of travel that is motivated" partly or exclusively "by religion." (Blackwell, 2007, p. 46). Yet, faith (religious)

tourism is not to be seen as a clearly definable segment, as it is a cross-section topic, closely connected with culture, education, nature and event tourism. The depth of the topic depends on the individual understanding of spirituality and religion. Faith (religious) tourism represents a new means of consumption, with tourist attractions offering a religious character for their visitors, by taking on symbolic value and meaning (Buck and Conrady, 2011, p. 204). "Pilgrimage experiences" bear "physical and mental circumstances in which people experience an existential sense of being authentic to themselves – a sense activated by the actions of the pilgrims" (Wang, 1999, pp. 349-370). During the journey, "individuals experience behavioral changes and become distinctively sociable and" pleasant. This sense of companionship called "communitas," is explained "by the liminal conditions that pilgrims experience during the sacred journeys" (Belhassen, 2008, p. 674).

### 3. The pilgrims and the tourists

Pilgrims share transportation, services, and infrastructure with other tourists. They also tend to participate in typical tourist activities, such as travelling, sightseeing and the purchase of local handicrafts. Therefore, it is hard to differentiate pilgrims from other tourists (Olsen, 2006, p. 7). Most researchers today do not distinguish between pilgrims and tourists. Rather, they focus on examining pilgrimage as a form of tourism.

Pilgrims usually travel a long distance to a sacred place in search for a deeper spirituality. The journey is a quest for physical and psychological healing mixed with a sense of adventure. Pilgrims desire to escape the routine, to broaden their horizons and to enjoy new and different experiences and challenges (Raj and Morpeth, 2007, p. 46). The physical journey undertaken by the pilgrims, which is an important part of pilgrimage, "can also have metaphorical resonances" at "many levels" (Coleman and Elsner, 1995, p. 6). One dimension of the escapist experiences is the connection with the environment, which occupies the attention of a person by bringing the experience to the mind, with the pilgrim physically becoming "a part of the experience itself" (Pine and Gilmore, 1999, p. 31).

Pilgrimages are made with a penitential purpose, to try to re-orientate lives away from selfishness and to make a new beginning, to face challenges and to experience simpler and less comfortable lifestyles. There is the sense of shared community in taking part in a pilgrimage that is very welcome for many people who are unhappy with our increasingly modern and automated culture (Bradley, 2009, p. 16). Slowing down the pace of a holiday provides opportunities of interaction and connection with the local people and enables the engagement of the tourists with the destination, landscape and the local environment (Heitmann and et al., 2011, pp. 118-119).

Religious organizations tend to focus more on the motivation that is behind a pilgrim's journey, rather than on the activities and travel patterns. Hence, from a religious institutional perspective, the tourist is a vacationer travelling away from his center of life to a more pleasurable and fulfilling destination. The tourist will be demanding of and insensitive to the host culture. The pilgrims on the other hand will be devoted and humble on the way to their new center of life. The pilgrim will be appreciative towards the host culture (Olsen, 2006, p. 7). A pilgrim in that sense is not a tourist, but rather an observer, who keeps walking and pays attention to the footprints, and his trip becomes a form of meditation.

The main difference between the pilgrims and the tourists is the journey. The main reason for the tourists to travel is the stay and the activities at the destination. For a pilgrim, on the other hand, the journey through time and space to the destination is the main reason to travel (Coleman and Elsner, 1995, p. 6).

Together with trade, military and administrative activities, religious festivals and pilgrimage provided the motivations for early travel. "Travel for pilgrimage is evident in many Asian countries from an early period when people journeyed to the mountains and rivers to visit ancestral gods and spirits." Indeed, since around 3000 BC, pilgrimages and festivals have taken travelers across borders. "Pilgrimages continued across Europe during the medieval period with" travelers "crossing regions to visit religious sites." As the main providers of lodging services along the road churches and monasteries became the early sources of hospitality (Cooper, 2012, p.7).

Around 1000 AD pilgrimage practice, which had evolved since the third and fourth centuries, burgeoned into a mass movement. The classical ideal venerable monuments was thereby transformed into the creation of attractions, prefiguring many modern governments' construction of tourism icons like London's Millennium Dome. Rivalries between the bishops and abbots of competing shrines were the forerunners of the competition observed between modern tourism destinations today. Pilgrims even wore insignia associated with journeys - palms for the Holy Land, St. Peter's keys for Rome – forerunners of modern souvenirs, mementos of passages of life, once mystical, today secularized (Douglas, et al., 2001, p. 196).

In the Bible, Abraham is told to leave his native country and to go to the land that God will show him. In a broader sense this story reflects the deeper meaning of a Christian pilgrimage: leaving the normal environment behind and taking a journey together with God. Trusting and obeying God then, is a must for a pilgrim (Bradley, 2009, p. 23). Since the second and third centuries, Christians have traced the stories of the Bible, including the footsteps and the life of Jesus Christ himself. Leaving the Jewish traditions behind, Christians viewed themselves as the inheritors of God's promises to the Jews. A new sacred place emerged in Jerusalem, and believers from all around the world began to undertake pilgrimages to this new and distinctive center of Christian pilgrimage. By the fourth century, pilgrimage had become a recognized expression of Christian piety. Pilgrimage was regarded as an obligation and a trial of faith (Encyclopedia Britannica, 2014; The Metropolitan Museum of Art, 2011).

## 4. Medieval pilgrimages in anatolia

All religions designate certain places as sacred and "these places become the foci of religious activity and destinations for pilgrims" (Rountree, 2006, p. 95). Faith tours can be regarded as modern pilgrimages that visit such sacred sites. Largest number of the faith tours to Turkey is organized by Christian groups. Even though it is not explicitly stated, the untold assumption with Christian faith tours is that these tours are based on ancient traditions. Medieval Christian pilgrimages are regarded as predecessors of modern Christian faith tours.

Yet, a comparison of modern faith tours with Medieval Christian pilgrimages to Anatolia shows that there are great variations between both the routes taken and the attitudes and expectations of

medieval pilgrims and modern faith tourists. Far from being based on unchanging and universal traditions, it is more likely that contemporary faith tours are largely modern inventions.

"Eight sites, Ephesus, Chonai, Nicaea, Myra, Mount Olympos, Caesarea, Euchania and Euchaita (last two were both in Pontus) appear to have been the most important in medieval Asia Minor, possessing renowned spiritual capital that drew pilgrims from long distances" (Foss, 2003, p. 132).

Ephesus was by far the richest center in terms of churches, tombs, relics, sacred sites and miracles and therefore one of the greatest goals of Christian Medieval pilgrimage in Anatolia. "The city contained one of the most holy sites of Christendom, the church and tomb of St. John the Evangelist, so important that the medieval town was usually known simply as Theologos, the title of the Evangelist. Second in fame was the tomb of the Seven Sleepers of Ephesus whose miraculous awakening took place in the fifth century". The tombs of Mary Magdalene, St. Timothy, and St. Hermione, daughter of the apostle Philip were in Ephesus (Foss, 2003, p. 130). Christian relics at Ephesus "included the red stone on which Joseph of Arimathea had washed the body of Christ (it was transported to Constantinople by Leo VI), a piece of the true Cross which St. John had worn round his neck, a shirt that St. Mary had made for St. John, and John's manuscript copy of the Apocalypse. The last three were still present when the Turks took the city in the early fourteenth century. On the mountain outside the city were the monasteries where St. Lazaros stood on a pillar in the eleventh century, attracting pilgrims from far and near" (Foss, 2003, p. 131).

"The fame of Myra was ... based on one saint, St. Nicholas, a renowned miracle worker who attracted pilgrims from home and abroad in all periods. They included pilgrims from England and Russia, a priest from Mytilene who regularly attended the saint's festival, and many locals. Nicholas's church, probably a work of Justinian reconstructed in the ninth century after an Arab attack, was further rebuilt under the patronage of Constantine X in 1042. Although it soon lost its major treasure - freebooters from Bari carried off the saint's body in 1087- pilgrims kept on coming". "The First Ecumenical Council of 325 gave eternal glory to Nicaea, which boasted of the Church of the Fathers where it was supposedly held. Pilgrims from the West came to see it, while the shrines of Saints Tryphon, Neophytos, and Diomedes were of more local interest. Later, however, St. Tryphon became the patron of the city, with the most celebrated cult. The miracle that took place at his shrine was important enough to justify an encomium by an Emperor, Theodore II Laskaris (1254-58), while Tryphon's church received a new miracle-working saint, John the Merciful the Younger, in the late thirteenth century". Mount Olympos (present day Uludag, near Bursa), which could be easily reached from the capital Constantinople, gained its fame as a monastic center and as a base for resistance to the iconoclasm of the early ninth century. Even though it was renowned during the ninth and early tenth centuries, it hardly heard of in later years (Foss, 2003, p. 132).

Most of the other Middle Ages Christian pilgrimage sites were associated with a single saint. At Chonai, the Archangel Michael had performed a great miracle that was powerful enough to alter

the landscape (modern Honaz, near Denizli). "Euchaita (in Pontus) was the home of a martyr of the Great Persecution, St. Theodore the Recruit, who had killed a dragon there". The rival cult of St. Theodore the General grew up in Euchaina (or Euchania, also in Pontus). In order to commemorate his victory over the Russians, John Tzimiskes dedicated a great church in Euchania in 971, on the spot where he believed he received the support of the saint. The ancient shrine of St. Basil in Caesarea was mentioned as a pilgrimage goal only by one medieval pilgrim, a tenth century Leon, native of a village near Magnesia. The fourth century church built by Basil, which was affiliated with the shrine, was richly decorated, according to a description recorded after it was destroyed in 1070 (Foss, 2003, p. 131).

"The greatest goals of medieval pilgrims involved miracles. Caves, trees, rocks, and springs were all witnesses of miracles in the distant past, but many sites also offered continuous miracles, repeated annually, that attested to their sanctity and to the active presence of the divine. Most often, these took the form of a miraculous dust or oil that had curative powers". The best known miracles were those which took place at Ephesus (Foss, 2003, p. 140).

"Every year for almost a thousand years, on the 8th of May during the all-night festal service in honor of St. John, a miraculous dust called manna issued forth from his tomb under the high altar in the cathedral. It was explained by the words of John's Gospel: 'Jesus saith unto him: If I will that he [John] tarry till I come, what is that to thee? Follow thou me. Then went this saying abroad among the brethren, that that disciple should not die; yet Jesus said not unto him, he shall not die, but if I will that he tarry till I come, what is that to thee' (John 21:22). Literal-minded Christians from the earliest time took this to mean (despite Christ's specific explanation) that St. John was not dead, but sleeping. Since he was asleep, he was breathing, and his breath naturally stirred the dust under the altar. St. Augustine already heard of this story and could not dismiss it outright. In the sixth century, Gregory of Tours in the far West knew of it and explained that the dust was called manna, had the property of curing the sick, and was transported through the world. These aspects—the miracle, the dust, the cure, and the distribution—were the features of the greatest miracle a pilgrim could see in medieval Byzantium" (Foss, 2003, p. 140).

"The Anglo-Saxon Willibald, later a bishop and a saint, was the first of many recorded medieval pilgrims to Ephesus, which he visited around 724. Like a host of later visitors, he marveled at the manna that bubbled up from the tomb. The calendar of the Orthodox Church, the Synaxarion, probably a work of the tenth century, explained that God not only blessed his apostles, martyrs, and saints, but made the places where they lived or were buried brilliant with many miracles. By the blessing of the Holy Ghost, the tomb of St. John brought forth a holy dust, which the locals called manna, suddenly every year on 8 May. It was distributed to the people who used it to ward off and cure diseases as they blessed God and St. John. Symeon Metaphrastes, writing in the tenth century, likened the brilliance of the crowded festival to that of the stars, and added that the fine dust that cured all ills sprang forth and was distributed to the vast crowd. No matter how much was needed, more always poured out. For the unhappy metropolitan George Tornikes (1155-56),

the tomb with its inexhaustible dust was his sole consolation for having to live in what he considered a barbarous place with a dilapidated church" (Foss, 2003, p. 141).

"The annual miracle took a very different form in Nicaea. That city was the scene of the martyrdom of St. Tryphon, a victim of the persecutions of Decius (249-251). The saint was actually buried in his home village in Phrygia, but his presence was manifested in his church in Nicaea every 1st. of February. On that day, at the morning service, while hymns were being sung in the saint's honor, a vast crowd witnessed the miracle: dried lily bulbs put in the martyr's lamp suddenly bloomed out of season amid the frosts of winter. A thirteenth-century emperor, Theodore II Laskaris, described the miracle, the accompanying festival, and the great crowds of people who came to receive the blessings of the saint and experience his power to drive away demons and cure ills. Tryphon was the patron saint of the empire in exile, and his image and lily appeared on its coins. His miracle was the great attraction of its capital, Nicaea" (Foss, 2003, p. 142).

"Miracles often had a practical aspect: the dust of Ephesus and the spiritual presence of St. Tryphon had the power to cure disease. In fact, seeking medical help was always a major factor in pilgrimage, especially pilgrimage to local shrines and holy men. In most cases, cures were affected by an oil that appeared miraculously or by the presence of the saint's body. The case of St. Nicholas in Myra is exemplary. Here, too, great crowds gathered on the saint's day, 8 December. They came especially to collect the oil, called *myron* that gushed forth from his tomb. This sweet-smelling oil credited with the power of preventing and curing all kinds of diseases, was eagerly collected and carried off for future or distant use. Myra, whose very name proclaimed association with the myron, seems to have been the prototype for a great range of cults that involved curative oil, which could work its wonders on the spot or far away" (Foss, 2003, p. 142).

"Many cures, of course, were successful and many blessings efficient. Hence, gratitude was also a factor - though far less well attested than need - that brought people to shrines. Most of this no doubt was local and on a humble scale. In 753, a grateful Paphlagonian peasant brought a cow as an offering to St. Theodore during the spring festival. Since he arrived just at the time of an Arab attack, he found the church and the whole city surprisingly deserted. Not willing to leave without honoring the saint, he tied the cow to the chancel screen and went away. On another occasion, a poor woman was saving a chicken for the saint when it was stolen, while a soldier returning victorious from the wars dedicated his sword. Likewise, locals brought wagonloads of grain and offerings of sheep, meat, and wine to the shrine of St. Nicholas of Myra. One rich couple outdid their neighbors by offering 100 gold pieces every year. Offerings also came in from long distances. Chonai was the goal of a young man named Manuel who was entrusted with the offerings of the village of Didia near Gangra in Paphlagonia, which amounted to a whole pound of gold. He came on foot and was almost murdered for his money. St. George rescued him, though, and the Archangel received the gold" (Foss, 2003, p. 145).

"Money was closely involved with pilgrimage in another important way, for the great pilgrimage shrines were also the site of fairs which brought buyers and sellers from whole regions. The most

important was probably that of Ephesus, held to coincide with the miracle of the manna. It generated a great deal of business, for the emperor Constantine VI, when he visited the church in 795, remitted the customs duty that the fair generated, a total of 100 pounds of gold according to the chronicler. Euchaita and Myra appear also to have been the site of fairs, an important phenomenon that continued through the Byzantine period. In the late twelfth century, the fair at Chonai was attracting huge crowds from all the neighboring cities and provinces and even from the "barbarian Ikonians" - the Seljuk Turks of Konya - who came to buy and sell" (Foss, 2003, p. 145).

## 5. Modern faith tours in anatolia

Current Christian faith tours differ from the medieval Christian pilgrimages in a number of ways. Firstly, the route followed by current Christian tours is markedly different from the route taken by medieval pilgrims. Only four of the eight cities formed the backbone of medieval pilgrimage (Ephesus, Chonai, Euchaita, Nicaea, Myra, Mount Olympos, Euchania and Caesarea) are still on the routes of modern Christian pilgrimage in Turkey. Modern faith tours visit the Seven Churches (Ephesus, Smyrna, Pergamum, Thyatira, Sardes, Philadelphia, Laodicea), stop at Colossae (because of the epistle sent to Colossians) and Hierapolis (St. Philip's Martyrium). They trace the footsteps of Paul, stopping at and Antioch ad Orentes, Perge, Attalia, Myra, Antioch in Pisidia, Iconium, Lystra, Derbe, Ephesus, Miletus, Alexandria Troas, Assos, Lesbos (island off the Turkish shore, in Greece) are also visited. Nicaea is visited because of the council meeting and Antioch is known as the town where Christians were first known as Christians where they started to meet regularly at the St. Peter's Grotto.

Not only the route of modern Christian faith tourists differ from those of Christian pilgrims of Middle Ages, but the significance attached to various sites on the route has also changed. Tomb of Mary Magdalene is no longer at Ephesus but the House of Mary is, tombs of St. Timothy, and St. Hermione, daughter of the apostle Philip are no longer at Ephesus but the tomb of Luke may be. None of the mediaeval pilgrims whose experiences are recorded, are aware of some traditions which the modern pilgrims believe are very ancient, such as the Grotto of Saint Peter in Antioch and the House of Mary in Ephesus.

Some destinations that are in modern times believed to be pilgrimage destinations in the past were apparently not. For example, "it seems that monastic centers as such did not necessarily attract pilgrims. Most striking, because of its modern fame as a center of tourism, is the great complex of rock-cut churches in Cappadocia. They apparently produced no noteworthy local saints and were not the object of any pilgrimage that can be discovered" (Foss, 2003, p. 136).

Modern faith tourism differs from past pilgrimages also in terms of the objectives of those participating. Unlike medieval pilgrims modern faith tourists are no longer pursuing miracles or cures. Most modern pilgrims (with some exceptions, like those visiting the House of Mary in

Ephesus) "do not request some favor from God ... in return for simply having made the journey or for engaging in ancillary devotional exercises" (Eade and Sallnow, 1991, p. 24). "A 'market ideology,' whereby physical suffering and penance are exchanged for material or spiritual favors" is not part of the ideology of modern faith tours (Rountree, 2002, p. 493). In any case, modern faith tours involve hardly any physical suffering. Rather, the tour conditions are very comfortable and enjoyable.

Pilgrimage is "a sacred journey to a sacred place with a sacred purpose" (Rountree, 2002, p. 482). A "pilgrim," for the Oxford English Dictionary, is "one who journeys to a sacred place as an act of religious devotion," while a "pilgrimage" is "a pilgrim's journey." "Sacred," for this source, means "consecrated or held dear to a deity ... dedicated or reserved or appropriated to some person or purpose; made holy by religious association" (Turner, 1973, p. 197).

It has been proposed that the pilgrim "can be distinguished from the" tourist "in that the pilgrim traditionally hopes to experience religious" "rapture," whereas the tourist seeks "mere pleasure and enjoyment" (Rountree, 2002, p. 481). Yet it has become also in this respect more difficult to distinguish a "mere" tourist from a faith tourist or a pilgrim. As Rountree points out, the so called "tourist sites" "may embody other valued cultural ideals for travelers normally classed as 'tourists' - the Parthenon and Ephesus, for example, may be valued as magnificent achievements in the early history of Western civilization and evoke in some Western tourists awe, admiration and pride (Rountree, 2002, p. 483). Such visitors to these places could thus be seen as secular pilgrims. The difficult, often impossible (and perhaps pointless), line to draw is between secular pilgrims and 'mere' tourists. How does one identify the 'sacred purpose of the secular pilgrim, or the line between passionate curiosity and devotion? It should also be noted that a traveler may shift between different modes of travel in the course of a particular journey, for example, from pilgrim to tourist/holiday maker to business person" (Rountree, 2002, p. 484).

Another definition of pilgrimage is "a journey undertaken by a person in quest of a place or a state that he or she believes to embody a valued ideal" (Morinis, 1992, p. 4). "The valued ideal enshrined at the pilgrimage site may be associated with a deity, saint or prophet (as at Mecca, Lourdes, Jerusalem or Banaras), or the site may embody national, cultural or some other form of collective ideals (for example, Lenin's tomb, Mao's Mausoleum, Elvis's shrine at Graceland, Mt Rushmore, war memorials, Anzac Cove and important historic sites), or the valued ideal of the quest may be unique to a single individual" (Rountree, 2002, p. 483). Over the centuries pilgrimage has resulted in a "well-developed network of pilgrimage trails" which comprises some of the most popular cultural paths in the world (Duda, 2014. P. 37).

## 6. Conclusion

Religious tourism is considered as a new tourism movement, even though pilgrimages to ancient sacred sites are considered by many authors as origins of the tourism phenomenon. This form of tourism encompasses any travel that is motivated by religion or has a sacred destination or shrines as a travel destination. Those who are trying to change their ordinary lives with the hope of spiritual and bodily regeneration search for authentic and exciting experiences. Travel with spiritual and religious characteristics can have appeal for such individuals.

Religious tourism can be classified as a subcategory within the cultural tourism industry and it is closely linked to the sustainability and the prevention of the cultural and natural resources. Pilgrimage can be described as a form of travel that is motivated by religion, spirituality or personal issues, has a special intent and is sustainable. Pilgrimage tourism has a big impact on local communities and on the destination itself.

Religious tourism fosters the preservation of the heritage and the cultural resources of a country. Furthermore, it provides support for the maintenance of buildings, monuments and the religious communities. It provides long-term benefits to regions and locals and leads to the enhancement of cultural and artistic facilities. Religious tourism supports sustainable development and for this reason it has a positive impact on the quality of life of locals. Jobs are created through different projects related to religious tourism. Destinations become more and more dependent on cultural and heritage resources as they seek more religiously motivated travelers (Gil and Curiel, 2008, p.420).

Pilgrimage is a special-interest event, which has a strong impact on the local communities at the visited destinations. Through interaction among pilgrims and local residents, relationships, value systems, attitudes and behavioral patterns as well as cultural values are exchanged. (Gil and Curiel, 2008, p. 419).

Today, religious motivation continues to be one of the principal reasons for travel. An enormous amount of tourism suppliers are involved in the religious travel market: tour operators, travel agents, incoming operators, destinations, airlines, cruise lines, accommodations, catering services, convention and visitor bureaus, guides, natural and cultural resources, event services, service providers, and many more (Gil and Curiel, 2008, p.420). The commodification of religious sites does not always suggest a destruction or overconsumption of the concerned site. Nevertheless, awareness should be created in order to prevent such occurrences (Schott, 2008, p.7).

Every year, religious destinations welcome millions of people. Destinations such as Rome, Mecca, Jerusalem and Santiago de Compostela owe a huge part of their touristic success to the religious practice. Within the Christian world, there is an enormous interest in rituals and symbols, which illustrates the growing interest of people in the historical, regional and social contexts of their religion. With the development of air travel, that enables the mass transportation of believers holy pilgrimages to Mecca, Vatican and Jerusalem have become great symbolic events, which contribute positively not only to religious organizations, but also to the host countries.

As pilgrimage routes often stretch over several regions and provinces, cooperation represents the key to a harmonious maintenance of the pilgrimage routes. The destination managers at these destinations should be encouraged to keep the religious and touristic aspects balanced. Pilgrimage experts should live up to the challenge and create a network of solidarity that serves as a role model for tourism worldwide. Religious tourism has been transformed into a marketable economic product, which can serve as a development tool and holds an enormous potential for the industry, provided that it is correctly conceived and used. Most tourists are pilgrims, visiting selected sites that embody their own individual ideals or the ideals of a group they belong to. Faith tours are a subgroup of this larger body of tourists. One can argue that mere tourists visit destinations of their choice whereas faith tourists follow predetermined divine routes. Yet, as we have discussed above, the itineraries and routes associated with faith tours are also based on choice and invention, as is the case with most other cultural tours. More and more faith tours are including in their itineraries stops that are on the routes of mere tours, some associated with other faiths, further blurring the distinction between faith tours and mere tours.

Modern pilgrims have become more like tourists and tourists more like pilgrims. The gradual disappearance of the differences between faith tourists and mere tourists may be desirable as it implies greater understanding and empathy between the members of different faiths and between those with faith and with no faith. Nevertheless, organizers of faith tours may feel the need to differentiate faith tours more clearly from "mere" tours. While it is essential to maintain traditions, there is nothing wrong with being a little imaginative as well. After all, as the discussion in this paper shows modern faith tours, are more inventions than traditions.

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# THE FACTOR STRUCTURE OF THE CHINESE INDEPENDENT TRAVELERS' SATISFACTION: A PENALTY-REWARD ANALYSIS

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## Abstract

This article analyzes the factor structure of Chinese independent travelers' satisfaction during they visit to Thailand. A penalty-reward analysis (PRA) and the three-factor structure for satisfaction (Matzler and Sauerwein, 2002) are applied to classify tourism attributes into three types: basic factors (minimum requirements), performance factors (contributes symmetrically to overall satisfaction) and excitement factors (use to differentiate from the rest of the market). The empirical analysis comes from a sample 524 Chinese independent travelers interviews in Chiang Mai. The contribution of this study is to clarify the impact of different attributes of the destination on Chinese independent travelers' overall satisfaction.

The results of the study in its application to Chiang Mai indicate that walking street, nightlife and night activities, coffee shop and hospitality of local people were identified as basic requirements (basic factors). These attributes are classified as minimum requirements expected by Chinese independent travelers when traveling to Chiang Mai (a necessary but not sufficient condition for satisfaction). The implication of this finding is that these attributes should always be prioritized. In the case of absence of these attributes it would make Chinese independent travelers dissatisfied.

Temple/historic sites, restaurants/bistros, shopping, affordable prices and local transportation were identified as common performance factors. These attribute contribute symmetrically to overall satisfaction. It means that, Chinese independent travelers will be satisfied (or dissatisfied), if they receive (or not receive) these attributes of Chiang Mai tourism.

Finally, the atmosphere in Chiang Mai city, cleanness (include hygiene) and safety, and accommodation and spa/massage, should be treated as excitement factors. In this sense, these

attributes can be used to surprise Chinese independent travelers, which would lead to an assessment of the tourism product above expectations. This last typology of attributes, it the one in which Chiang Mai should focus to generate competitive advantage over its competitors.

Moreover, the information provided by the estimated coefficients of the penalty-reward model by ordinary least square with bootstrapping method indicates that Chiang Mai city atmosphere has the highest effect in increasing overall satisfaction. While, reasonably prices and local people hospitality are two important basic factors that make Chinese independent travelers dissatisfied if they don't reach the expected level. Finally, it should be noted that the attributes of Chiang Mai tourism in the basic factors groups have higher effect than the attributes in the excitement factors group. It means that the dissatisfaction from an absence of the basic factors cannot be substituted by the satisfaction that increases from the excitement factors.

From the study's result, it can be suggested that the policy makers should give priority to the attributes in the basic factors group (they behave as minimum performance levels). Then they should focus on the performance factors group. Finally, if policymakers want to increase the value of Chiang Mai tourism for Chinese independent travelers, they should pay attention on the attributes in the excitement factors group.

Key Words: satisfaction, penalty-reward analysis, Chinese independent travelers, Chiang Mai tourism

# OVERTOURISM - A CONTRIBUTION TOWARDS THE DEVELOPMENT OF A CONCEPTUAL MODEL FOR RETAINING TOURISM ACCEPTANCE WITHIN THE TOURISM DESTINATIONS

Marcus Herntrei and Georg Christian Steckenbauer

#### Abstract

International tourism is growing rapidly and constantly. The UNWTO estimates the total number of international tourists reaching 1.8 Billion by 2030 (UNWTO, 2011). Due to the rising number of international tourists and fundamental changes within the international travel streams as result of changes of the political environments (terrorism, crisis of democracy etc.) traditional European destinations like Spain are facing an extreme growth of tourism demands (UNWTO, 2017). The tourism industry responds with the development of new tourism products and infrastructures (Müller. 2017). However, while local tourism industry is growing, a gap between inhabitants and tourism professionals in perception of tourism development can be identified. While traditional economic indicators - like overnight stays and expenditures - show a positive development, the subjective perception of the locals is ambivalent: Some beneficiaries support the developments, others primarily see negative impacts on quality of life (Weber et al., 2017). During the tourism high season in the year 2017, several European newspapers reported decreasing tourism acceptance with several leading destinations. in tourism The tourism acceptance is a crucial aspect influencing the attractiveness and competitiveness of tourism destinations (Ap, 1992). Thus, a shrinking tourism acceptance directly and indirectly influences the future of destinations. Decision-makers already identified the problem but often responded with single activities without underlying strategies that remained unsuccessful. This is where the present work comes in: The aim is to create a conceptual model that enables practitioners to systematically analyze the phenomenon of overtourism and to proactively develop strategies and implement concrete actions. From the meta-analysis of existing research results in the fields of overtourism (Brida, Osti, & Faccioli, 2011; Postma & Schmuecker, 2017), participatory planning (Kearney, Berkes, Charles, Pinkerton, & Wiber, 2007), destination development (Beritelli, 2011; Pechlaner, Herntrei M., Pichler, & Volgger, 2012) and stakeholder management (Jackson & Morpeth, 1999), a classification model for phenomena of overtourism is developed. Based on this, assumptions on cause-effect relationships and guidelines for strategy development are derived. The conceptual model will be presented for discussion in the context of the conference and the scientific community, in order to develop a research design for an empirical validation of the model.

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# UNDERSTANDING TOURIST COUPLE'S DECISION MAKING PROCESS: A MULTI-LEVEL APPROACH

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# Abstract

Since travel is a collective activity, decisions regarding to travel will not be taken only by one member of the group travelling together. Further the experiential nature of travel makes decision making a dynamic process. With all these factors taken into consideration understanding the reasons of travelers' preference of one alternative over another requires a different approach. The purpose of this study is to provide a better understanding of couple's decision making process during travel by using multi-level approach.

### Introduction

Travel decision making involves a lot of internal and external factors which makes it more complicated compared to daily life situations (Mottiar & Quinnn, 2004). Even if some researchers have found a correlation between daily life activities and activates during travel (Brey & Lehto, 2007), the dynamic nature of tourism setting requires flexible decisions as last minutes changes are common (Smallman & Moore, 2010). Another important factor that needs to be considered is the influence of the travel companions. Research shows that most people do not travel alone, they rather travel with family or friends (Thornton, Shaw & Williams, 1997). Several research has been conducted to understand the family decision making process (Zalatan, 1998; Kim, Choi, Agrusa, Wang, & Kim, 2010; Mottia, & Quinnn, 2004). However the results of these studies were mostly based on the data collected from only one member of the family. It is important to collect information from all family members and to use it to provide a better understanding of family travel experience (Schänzel, Smith & Weaver, 2005).

Focusing on the individual behavior of people travelling in groups leads to the loss of variance which occurs at group level, so the impact of the group on decision making will be overlooked. Also, traditional modeling procedures such as Analyses of Variance (ANOVA) or Ordinary Least Squares (OLS) are not able to detect this variance, showing small standard errors (Sibthorp, et al.,

2004). However, by using a multi-level approach in addition to the variance occurring at individual level, the variance at the group level will be accounted for. As this analysis suggests, tourism studies should use a multi-level approach to address this problem, thereby adding enhanced regression analyses by explaining variance at more than one level. The purpose of this study is to provide a better understanding of tourist couple's decision making process during travel by using multi-level Structural Equation Modelling (ML-SEM) as the data analysis technique. The study involved application of the use of Theory of Reasoned action to understand the couple's food choice during vacation and their influence on each other in terms of food decisions (Fishbein& Ajzen, 1975). The relationship between attitude, importance and intention and the influence of gender on these variables were tested.

### Methods

Data was collected in two coastal regions of South Carolina. Couples were intercepted in waterfront areas and beaches. Only mixed gender couples over 18 who were travelling together and eat oysters at least once a year were taken into consideration for the purpose of this study. In total 380 questionnaires from 190 couples were collected. The response rate was 67%.

### Results

Measurement model was run in order to test the reliability and validity of the model. First measurement model was run with the constructs attitude, importance and intention. Since this model showed low fit indices (CFI=.797, RMSEA=.160), another model was run by separating attitude and importance as positive and negative constructs. After having satisfactory fit indices for the second model (CFI=1.00, RMSEA=.00) structural model was run which has reasonable fit indices (CFI=.994, RMSEA=.02). The relationship between attitude, importance and intention were tested at both individual and couple level. Since gender varies at only individual level, the gender difference was not tested at couple level. Results show that both cognitive and affective attitude are significant predictors of importance. The increase in positive cognitive and affective attitude lead an increase in positive importance. In addition respondents who have high negative cognitive and affective attitude score higher in negative importance. Both positive and negative importance have significant impact on intention. While positive importance lead an increase in intention, the influence of negative importance on intention is negative. On the other hand at level 2, only the influence of positive importance on intention is positive. The difference between men and women only observed in positive and negative affective attitude and negative importance (Table 1).

Path	Level 1 (individual)	Level 2 (couple)
Gender(IV) $\rightarrow$ P. Affective Attitude (DV)	270(105)*	N/A
Gender(IV) $\rightarrow$ N. Affective Attitude (DV)	.267(.123)**	N/A
Gender(IV) $\rightarrow$ N. Importance (DV)	.332(.104)*	N/A
P. Cognitive Attitude (IV) $\rightarrow$ P. Importance(DV)	.186(.135)**	.343(.207)

Table 1. Regression Coefficients of Significant Relationships

N. Cognitive Attitude (IV) $\rightarrow$ N. Importance (DV)	.250(.178)**	2.65(.770)
P. Affective Attitude (IV) $\rightarrow$ P. Importance (DV)	.231(.217)**	1.01(.682)
N. Affective Attitude (IV) $\rightarrow$ N. Importance(DV)	.308(.209)**	101(071)
P. Importance (IV) $\rightarrow$ Intention (DV)	.370(.347)**	2.096(1.855)*
N. Importance (IV) $\rightarrow$ Intention (DV)	220(242)**	1.402(.959)

Note: unstandardized (standardized), P-value is significant at \*.05 level, \*\* at .01 level. P=Positive, N=Negative

#### Discussion

The purpose of this study was to provide a better understanding of couple's travel decision making process by using multi-level approach. Results showed high inter-class correlation among variables which is an indication of the dependency of cases on each other. Also the interdependency of couples' answers was detected by measuring the variables at two levels, which would not be possible with a single level analysis. Multi-level model provided more accurate results which decrease the chance of Type I and Type II errors. This study distinguished itself form previous studies by collecting data from all members of the group who are travelling together and analyzing the data by taking into consideration the interdependency of their answers. As a result in this study multi-level approach was proved to be a better alternative to analyze such kinds of data.

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# LOYALTY PROGRAM EFFECTIVENESS: INVESTIGATING THE EVOLUTION OF BEHAVIORAL LOYALTY AND CUSTOMER LIFETIME VALUE OVER TIME

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# Abstract

Loyalty programs are popular marketing strategies intended to attract, maintain, and enhance customer relationships. The purpose of this study is to examine the effectiveness of a loyalty program by examining the evolution of a member's behavioral loyalty from a longitudinal perspective. This study obtains secondary data and performs time series ordinary least squares (OLS) modeling. Study results support the research hypotheses and show that loyalty program members increase their purchasing behavior in frequency and volume over time that generates profitability.

*Key Words: behavioral loyalty; customer lifetime value; loyalty marketing; loyalty program; segmentation; time series analysis* 

### Introduction

Loyalty programs have become one of the most evident and lucrative investments in marketing (McCall, 2015; Reinartz, 2005). Almost every company across various industries offers a loyalty program of some kind or another, and everyone is challenged by the growing number of loyalty cards (McCall & Voorhees, 2010). However, a limited number of empirical validations have created divergent perspectives on the proliferation of such programs across industries. Experts are questioning the value of loyalty programs in the hospitality market as they have become ubiquitous and have reached maturity (McCall, 2015; Xie & Chen, 2014). Nevertheless, loyalty programs influence more than one-third of hotel guests when selecting which hotel brand to stay at (Barsky & Nash, 2003; 2006; Berry, 2015), and that number has been steadily increasing since 2009 (Berry, 2015). Companies purposely design loyalty programs to reduce costs by flexibly segmenting members within the program through tiers that has a significant influence on the program's performance (McCall & Voorhees, 2010; Tanford & Malek, 2015; Quigno & Zhang, 2016). To maximize loyalty and profitability, companies treat customers differently based on their tier level because they realize that not all customers are equal (Drèze & Nunes, 2009; Tanford & Malek, 2015). Despite the prevalent use of loyalty programs, few empirical studies attempt to

examine how loyalty program members' behavior changes over time. Given the long-term orientation of loyalty programs and their evolution from single purchases to multi-period decisions, it is imperative to observe the effectiveness longitudinally (Liu, 2007). Thus, this study aims to examine the effectiveness of a loyalty program by specifically examining the evolution in a member's behavioral loyalty from a longitudinal perspective.

# **Research hypotheses**

As a whole, loyalty programs are developed to increase customers' loyalty and value contribution along with a firm's increased profitability (Lam et al., 2004; Tanford & Malek, 2015; Voorhees et al., 2011), thus, it is important to know whether this goal is accomplished. Studies that attempt to examine customers' loyalty behavior from a dynamic perspective within an extended time span of a long-term loyalty program have been especially rare and inconclusive (Min, Raab, & Tanford, 2016). By capturing program effects through the movement of time, this study broadens the scope of existing studies to contribute to finding more general effects of a loyalty program.

Overall, loyalty programs are distinguished by being more direct in lifting average purchase frequency and purchase volume because they explicitly reward customers for combining their purchases within the same brand (Liu, 2007; Sharp & Sharp, 1997). Moreover, loyalty programs specifically emphasize repeat purchase over time, thus, rarely benefit members on a single purchase (Sharp & Sharp, 1997). They create an expectancy of positive outcomes related to behavioral levels because the more the members buy, the more the rewards they are likely to receive. Members tend to maintain the relationship when they realize that their purchase behavior results in a positive outcome and their proportion of purchase is more likely to increase as they stay longer with the program (Kivetz et al., 2006; Lemon, White, & Winer, 2002). Therefore, loyalty programs are expected to positively transform members' behavioral loyalty over time and it is important to examine the loyalty program effectiveness from a longitudinal perspective. Additionally, loyalty programs are intentionally designed in a number of tiers to stimulate the members' behavioral changes (Kivetz et al., 2006; McCall & Voorhees, 2010; Tanford & Malek, 2015). Loyalty program members are known to accelerate their purchase behaviors both in frequency and purchase volume as they approach closer to the next tier. Accordingly, it is important to examine the changes of their behavioral loyalty within different tier levels. Behavioral lovalty in this study is examined by members' visit frequency and purchase volume. Thus, the following first hypothesis is proposed:

H1: Loyalty program members within each tier will increase their behavioral loyalty over time.

H1a: Loyalty program members within each tier will increase their visit frequency over time.

H1b: Loyalty program members within each tier will increase their purchasing volume over time.

Marketing programs are implemented to maximize a company's productivity, often aimed to increase customer equity. Thus companies strive to maintain relationships with those customers who produce positive profitable lifetime value. Customer lifetime value has been frequently used in previous studies as an indicator for customer equity by estimating a customer's future profit

flow (Hansotia, 2004). Overall, loyalty programs are designed to accelerate the loyalty life cycle, encouraging the loyalty program members to behave as the company's most profitable customers (Liu, 2007; O'Brien & Jones, 1995). Hence, it is expected that loyalty programs will generate positive customer lifetime value. Further, members from a higher tier level are more likely to produce higher margins to the firm (Voorhees et al., 2011), thus the following second hypothesis is proposed:

H2: Higher tier members will generate higher positive customer lifetime value.

# Methods

Data Collection and Sample

This study uses secondary data from an upscale hotel and casino resort. The loyalty program was developed to specifically target gaming customers. Thus, the data were based on customers' gaming behavior. As loyalty program members are more likely to be frequent customers, simply comparing their behavior to that of nonmembers does not fully explain the causal relation (Leenheer, Van Heerde, Bijmolt, & Smidts, 2007). The literature recommends that a minimum of four years of data is required to perform any statistical analysis on customers' lifetime behavior (Reinartz & Kumar, 2002). This study considers loyal customers as those who have taken at least two trips each year (Lewis, 2004; Liu, 2007). This study selects a specific category of loyalty program members who have reached a specific minimum play level and those who were offered monthly direct mail promotions. This criterion keeps the sample consistent to a certain degree. Overall, the sample comprises a total number of 721 monthly time series data points, which covers 17,902 loyal customers.

# Data Analysis Methods

A time series is an ordered sequence of values for a quantitative random variable at equally spaced time points (Li, Song & Witt, 2005). This study uses the R (The R Project, 2017) that is an integrated suite of software facilities for statistical data analysis. To assess the behavior of over time within each tier, the time series plots are generated for both dependent variables (visit frequency and purchasing volume) against time (sMonth) within each tier. Further, the time series ordinary least squares (OLS) models are fitted to both dependent variables to data within each tier; with the predictors of comptotal, newtower, recession, sMonth, trend and the interaction term between the dummy variables for recession and trend.

To test whether higher tier members generate higher positive customer lifetime value, a one sample t-test for autocorrelated data is used to test the null hypothesis that within each tier, the CLV pervisit is zero against the alternative of a positive mean CLV pervisit. The null model to the response Y (CLV pervisit) is fitted to the following model:  $Y = \beta_0 + e$ , where *e* is the error term assumed to be normally distributed with a zero mean.

The Durbin-Watson test (Durbin & Watson, 1971) is used to identify the presence of autocorrelation in the residuals from the regression models. When autocorrelation is significant, we use the heteroskedasticity and autocorrelation consistent (HAC) estimators (Andrews, 1991) of the covariance matrix to correct the standard deviations in the coefficients for autocorrelation and the unequal error variances. The HAC, Kern-HAC, and Newey-West are three different estimators of the covariance matrix that are applied most frequently in econometric research. The estimators of the Newey-West are applied preferably for testing coefficients in time series data (Zeileis, 2006).

### Results

# Sample Profile

Sixty percent of the people in the sample were between 50 and 69 years old. Almost 63% of the sample was male, while 37% were female. Approximately 67% of the sample was engaged in the loyalty program for more than ten years. More than half (53%) of the sample lived in the border states (Arizona, California, and Nevada). Members who lived in the western United States (Washington, Oregon, Utah, Colorado, Idaho, New Mexico, Wyoming, and Montana) were 33.8%, and the rest United States were 12.9%.

# Testing of Hypotheses

For each model in testing the hypothesis, the row with the OLS p-value indicates the p-value computed when assuming the residuals are independent. The NW (Newey-West) p-value, computed from the HAC estimators in the covariance matrix also indicates when the Durbin-Watson test is significant and therefore that autocorrelation exists. All hypotheses are tested at the 0.05 significance level.

The plots (see Figure 1 and Figure 2) show an increased trend in both dependent variables up to the recession of 2008, and then a decreased trend afterwards. This trend is linear that indicates the presence of an interaction term between time and the dummy variable for the recession. In addition to the plots, Tables 1 and 2 show the OLS model results for visit frequency and purchasing volume, respectively. Durbin-Watson test is significant for tier 3's visit frequency and tier 2's purchasing volume, thus the NW (Newey-West) p-values are observed for these cases only. All of the OLS models are significant. For visit frequency, the OLS model explains 74 to 97% of the variability ( $R^2$  values vary from 0.74 to 0.89 for tiers 1 to 3 and from 0.92 to 0.97 for tiers 4 to 7). For purchasing volume, the OLS model explains 64 to 95% of the variability ( $R^2$  values vary from 0.64 to 0.82 for tiers 1 to 3 and from 0.88 to 0.95 for tiers 4 to 7).

For visit frequency, the interaction term between trend and the dummy variable for recession is significant for each of the seven tiers with a negative coefficient value for the interaction term. On the other hand, the coefficient value for trend is positive that means the visit frequency has a linear and positive trend up to the recession, and then begins to decline linearly afterwards. Furthermore, the coefficient values are higher for the interaction term that means the trend declined at a higher rate than the pre-recession rate increased. For purchasing volume, the OLS results for the interaction term between trend and the dummy variable for recession are significant for each of

the seven tiers. Likewise, the purchasing volume increases over time up to the recession, and then begins to decline linearly at a higher rate than the pre-recession increase rate. Overall, the results support the first hypothesis.

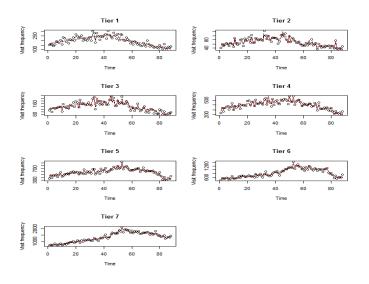


Figure 1. Plot of observed and fitted visit frequency vs. time (sMonth) for each tier

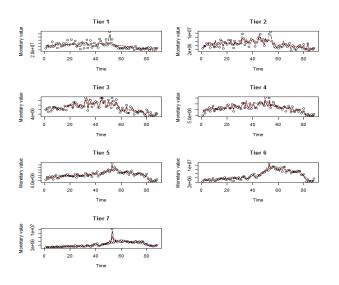


Figure 2. Plot of observed purchasing volume vs. time (sMonth) for each tier

Table 1

OLS model result for visit frequency by each tier

DV	Predictors	(Intercept)	Comptotal	Newtower	Recession	sMonth	Trend	Trend* Recession
Tier 1	Coefficient	164.3	0.00	-26.39	232.60	-2.63	2.29	-5.30

	OLS p-value	0.00	0.60	0.07	0.00*	0.78	0.00*	0.00*
	OLS p-value	0.00	0.00	0.07	0.00	0.78	0.00	0.00
Tier 2	Coefficient	29.78	0.00	-11.38	29.14	1.97	0.51	-0.82
	OLS p-value	0.00	0.00*	0.01*	0.01*	0.53	0.00*	0.00*
Tier 3	Coefficient	71.97	0.00	-6.75	51.36	4.59	0.51	-1.30
	OLS p-value	0.00	0.00	0.28	0.00	0.30	0.00	0.00
	NW p-value	0.00	0.00*	0.12	0.02*	0.23	0.00*	0.00*
Tier 4	Coefficient	178.10	0.00	-11.25	142.60	3.96	1.72	-3.62
	OLS p-value	0.00	0.00*	0.42	0.00*	0.69	0.00*	0.00*
Tier 5	Coefficient	266.10	0.00	20.45	160.10	16.01	2.66	-4.56
	OLS p-value	0.00	0.00*	0.27	0.03*	0.22	0.00*	0.00*
Tier 6	Coefficient	365.80	0.00	78.92	148.30	18.14	5.68	-6.09
	OLS p-value	0.00	0.00*	0.00*	0.10*	0.23	0.00*	0.00*
Tier 7	Coefficient	628.70	0.00	181.9	1196	15.97	15.02	-22.74
	OLS p-value	0.00	0.00*	0.00*	0.00*	0.55	0.00*	0.00*

*Note*. \*p < .05.

# Table 2

# OLS model result for purchasing volume by each tier

	Predictors	(Intercept)	Comptotal	Newtower	Recession	sMonth	Trend	Trend* Recession
Tier 1	Coefficient	48210000	0.03	-2199000	64340000	-7529000	286900	-1337000
	OLS p-value	0.00	0.88	0.80	0.00*	0.21	0.00*	0.00*
Tier 2	Coefficient	1507000	35.51	-352500	3233000	319800	17100	-64230
	OLS p-value	0.00	0.00	0.57	0.04	0.46	0.24	0.01
	NW p-value	0.00	0.00*	0.55	0.27	0.27	0.01*	0.00*
Tier 3	Coefficient	3041000	28.98	-356900	2939000	423400	29700	-76520
	OLS p-value	0.00	0.00*	0.46	0.03*	0.22	0.02*	0.00*
Tier 4	Coefficient	4127000	31.68	1154000	3460000	-7638	29760	-102900
	OLS p-value	0.00	0.00*	0.06	0.09	0.99	0.03*	0.00*
Tier 5	Coefficient	2662000	24.48	607700	3958000	72020	28330	-82900
	OLS p-value	0.00	0.00*	0.13	0.01*	0.79	0.00*	0.00*
Tier 6	Coefficient	1548000	14.76	588000	3302000	-23260	28300	-61660
	OLS p-value	0.00	0.00*	0.06	0.09	0.99	0.04*	0.00*
Tier 7	Coefficient	633300	10.90	-125100	1736000	-55210	19450	-27490
N-4- *** <	OLS p-value	0.00	0.00*	0.71	0.16	0.81	0.01*	0.00*

*Note*. \*p < .05.

Table 3 summarizes the results for the one sample t-test for each tier. The results show that the average CLVpervisit is positive for each tier. Further, the NW (Newey-West) p-values show that the Durbin-Watson test is significant. Overall, the t-test results are all significant, which indicates

that  $\mu > 0$ . Further, the average value of CLV pervisit is higher for higher-level tiers (see Table 5). Thus, members of higher tiers generate higher CLV, which supports the second hypothesis.

### Table 4

Tier	M (CLVpervisit)	SE	t	OLS p-value	NW p-value
1	227165	8334	27.26	0.00	0.00*
2	66673	1640	40.67	0.00	0.00*
3	48072.6	656.9	73.18	0.00	0.00*
4	28263.2	296.2	95.41	0.00	0.00*
5	13975.7	163.2	85.61	0.00	0.00*
6	5889.1	105.1	56.02	0.00	0.00*
7	1610.47	51.52	31.26	0.00	0.00*

# *Summary of t-test for customer lifetime value*

*Note*. \*p < .05.

# Conclusion

# Discussion of Results and Implications

This study specifically evaluates the loyalty program by using longitudinal and financial data. The results support the research hypotheses and indicate that program members' behavioral loyalty evolves positively over time that produces profitability. Each tier of the loyalty program shows an increasing trend over time for both the visit frequency and purchasing volume at least until the economic recession. Further, the results show that each tier produces a positive CLV, where that value is higher for the higher tier status. This result is especially meaningful because companies emphasize the need to assess customer value when monitoring the effectiveness of loyalty programs (McCall, 2015). The result also supports the finding of Voorhees *et al.*'s (2011) study. Overall, the findings are consistent with the literature that loyalty program members increase their purchasing behaviors both in frequency and volume over time (Kivetz *et al.*, 2006; Meyer-Waarden, 2008), and generated profitability (Meyer-Waarden, 2007).

The findings of this study provide theoretical implications. The empirical research on the effectiveness of loyalty programs that examines behavioral changes from a longitudinal perspective is rare due to the complexity of estimating the financial contributions and the difficulty in obtaining relevant data. Longitudinal data is preferred because self-reported data or cross-sectional data do not establish a causal relation (Meyer-Waarden, 2008), and examining dynamic changes in customer behavior is more powerful than cross-sectional studies of behavior at a certain point in time (Verhoef, 2003). Therefore, this study extends the literature on the effectiveness of loyalty programs. Additionally, this study contributes to the literature by incorporating variables and validating their significance on the visit frequency and purchasing volume. The study also uses a times series analysis, a method that has not been used sufficiently in the hospitality research (Yoo & Bai, 2013). This study especially contributes to the theoretical foundation in the literature by providing a new model with variables not previously used. The research shows that customer

lifetime value is an important indicator in estimating a company's profitability. Since a company's financial data is mostly not public, limited studies exist in academia that incorporate CLV as a variable in investigating a loyalty program's financial perspective. This attempt adds value to the hospitality research literature.

In addition, this study offers practical assistance to hospitality companies. Study results indicate that higher tier members are more likely to increase their purchasing even more with greater frequency, thus it is worthwhile for companies to develop strategies to encourage frequency for higher tier members. The results also show that there is no significant relation between complimentary offers and customers at tier 1 (the highest). Tier 1 is the only level whose visit frequency and volume are not influenced by complimentary offers. This finding means that companies could save operational costs here and boost profitability. Loyalty programs are fundamentally designed to increase their investment in the largest group of customers (McCall & Voorhees, 2010). Complimentary offers account for a significant portion of the operating budget, but if they are not effective, companies should reconsider the type of investment they make to these highest tier members. For example, companies can reward the highest tier members with more services that are above and beyond what is normally offered to all other tier members and instead leverage their investment volume on complimentary offers to other segments. Marketers should re-evaluate their complimentary offers more frequently for each tier level and verify the appropriate volume or type of offers. They should be especially cognizant of the economic situation as the results of this study show.

Limitations and recommendations for future research

As with all research, this study has limitations. First, the findings cannot be generalized since the data comes from a single high-end resort in Las Vegas. Further, this study uses an exclusive sample to keep consistency. As a result, a wide range of loyal customers is not included in the sample, and study findings are only applicable to that specific target. Replication of this study would be essential because of its uniqueness. Repeating this study with a different sample among diverse segments of hospitality companies would assist in establishing the external generalizability or applicability of the results.

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# CUSTOMER EXPERIENCE, VALUE, SATISFACTION AND LOYA LTY: IMPLICATIONS IN HOSPITALITY

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# Abstract

This research aims at exploring how customer experience of value can facilitate the conversion of customer satisfaction into loyalty, and the retention of customer loyalty. Past studies suggest an arguable cause-and-effect relationship between customer satisfaction and customer loyalty. Customer satisfaction is a prerequisite for customer loyalty. However, customer satisfaction may not necessarily lead to customer loyalty. The arguable relationship between customer satisfaction and customer loyalty leads subsequent researchers to be interested in exploring the relation between customer satisfaction and customer loyalty from varied angles and settings. Significantly, it has been found that the link between customer satisfaction and customer loyalty is weak without the consideration of other variables. Meanwhile, related past studies suggest the significance of exploring customer experience from the aspect of value to better understand the relation between customer satisfaction and customer loyalty.

Managing customer experience has been regarded as the most important element in building customer loyalty. Customers perceive and evaluate value from their consumption experience. Customer value is regarded as the fundamental basis for all marketing activities, and a means to generate and maintain the competitive advantage of an organization. Having the desired customer value recognized and appreciated by customers through their experience of an organization's offerings is deemed critical to achieve customer loyalty. Nevertheless, it is usual for customers to switch between different objects under similar motives for consumption. As an organization's long-term business success relies significantly on a large base of loyal customers, the ultimate challenge to managers is how to manage customer loyalty.

From a managerial standpoint, the arguable cause-and-effect relationship between customer satisfaction and customer loyalty suggests two important issues on customer loyalty: the conversion of customer satisfaction into customer loyalty, and the retention of customer loyalty. Most studies focus on customer experience of value for achieving customer loyalty. Nevertheless, to the best knowledge of the author, it is unknown about customer experience of value for retaining customer loyalty once satisfied customers become loyal customers. This gap needs to be addressed because building the loyalty of satisfied customers and retaining the loyalty of loyal customers are equally important. Moreover, customer retention is the most important challenge in managing businesses. Retaining customer loyalty is regarded as a strategy for long-term business success. In addition to build the loyalty of satisfied customers, it is thus also critical for managers to know how to retain the loyalty of loyal customers.

Studying customer experience from varied angles is of growing interest to academic researchers and marketing practitioners. This study provides an alternative view on the study of customer experience linking to the customer satisfaction-loyalty link, and with customer loyalty retention. Moreover, this study identified some common factors that impact the efficacy of customer experience of value for building and retaining customer loyalty. These factors are the categorization, premise, and source of customer experience of value, the triggers for customers' repeated experience of certain types of value, and the response to the competing experience of superior customer value. This study provides theoretical and practical implications in hospitality.

Key Words: customer experience, customer value, customer satisfaction, customer loyalty, hospitality

# THE INFLUENCES OF GASTRONOMY TO DIFFERENT TYPES OF CHINESE TOURISTS —CASE OF CHENGDU

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# Abstract

Gastronomy has been recognized as an important element for the promotion and consolidation of tourist destinations. This paper explored the food consumption of Chinese tourists in Chengdu, classifying the different types of them and analyzing their characteristics and features. The questionnaire is developed to analyze the differences among the four groups' samples in the demographic, psychological and motivational factors. The results indicate that different types of gastronomy tourists have different attitude towards gastronomy, influencing the behavior in their food consumption and preference and choice. Furthermore, there are significant differences among gastronomic tourists with different demographic, psychological or motivational factors.

Keywords: Gastronomy; food consumption; Chinese tourists

### 1. Introduction

Gastronomic tourism has become a continuous rising concern since dining out during the travel can provide very special feelings and memories for tourists, which would turn into personal experiences (Kivela, 2017). During the journey, gastronomic tourists are willing to spend on food (Telfer & Wall, 2000), participate in food tasting and production process, and experience the connotation of the local food culture to obtain the material and spiritual enjoyment (Fox, 2007). The main purpose of their trip is to find out the new tastes and gastronomic experience, and thus the gastronomic tourism not only can become a memorable experience of the holiday but also can embed in the local culture (Chang, Kivela, &Mak, 2010, 2011; Kivela,2017).

The relationship between gastronomic tourism and destination is symbiotic. On the one hand, the destination is the supporter of the gastronomic tourism, which provides the food material, chefs, and cultural backdrop to the destination (Sahin, 2015). On the other hand, gastronomy can be an important motivation for tourists when choosing a destination (Hall et al. 2004). Furthermore, local gastronomy can become the added value to the destination and reinforce the identity and authenticity of the region (Sahin 2015; Stavrianea et al., 2017). Thus, the development of local gastronomic tourism can play a pivotal role in the sustainable development of the destination.

A growing number of literature pay attention to gastronomic tourism (Santich, 2004; Kivela, 2017). The documents in food tourists respects focuses on categorizing gastronomic tourists into different types based on different divisions, such as the relationship between tourists and gastronomy (Hall et al., 2004; Thompson and Prideaux, 2009), the individual involvement in local food activities (Getz et al., 2014). However, these studies mainly focused on gastronomic tourists who travel to foreign countries including Chinese outbound tourists (Gálvez et al, 2017; Mynttinen et al, 2015). There are limited studies on Chinese gastronomic tourists, mainly on the food

experience in the process of outbound tourism (Chang, Kivela, & Mak, 2010; 2011). On the one hand, the behavior of domestic gastronomic tourists may be different from those outbound tourists because of the more familiar culture and more past experience; on the other hand, Chinese tourists are one of the important tourist segments around the world, and the Chinese food culture is famous for its abundance and exquisite. Therefore, it is important to explore the behavior of Chinese gastronomic tourist from their typology and characteristics.

Based on the above analysis, the objective of this paper is to study the food consumption of Chinese tourists in Chengdu, classifying the different types of domestic gastronomic tourists, and analyze the characteristics of gastronomic tourists.

# 2. Literature review

# 2.1 The definition of gastronomic tourism

Food is the principal attraction or complementary motivation for gastronomic tourists visiting a destination (Stewart et al., 2008).During the journey, as many as three-quarters of gastronomic tourists actively attempt to interact with unique cuisines (Wolf, 2014).Food tourism differs from normal food consumption; tourists can participate in food-related activities during a trip (Shenoy, 2005), experience the local food and beverages, and have the opportunity to have authentic experience(Sims, 2009).The special food resources are the unique labels of destination, which act as an attraction to visitors (Nam & Lee, 2011).

There are many studies on food tourism, but lack of an agreed-upon exact definition of food tourism (Ignato and Smith, 2006).Existing research usually refers to food tourism as "Culinary tourism", "Gastronomy tourism" and "Food tourism"; however, there are still some differences in its definition (Santich, 2004). "Culinary tourism" emphasized the experience of cooking tourism and participated in the "other" not their culture (Long, 2004). "Gastronomy Tourism" and "Food tourism" pay more attention to the food experience. The main focus of "Gastronomy Tourism" is the motivation and behavior of tourists, the purchase and consumption of local food during the trip, the observation of food processing and the cooking practices of tourists belong to gastronomy tourism (Ignato and Smith, 2006). "Food tourism" as a trip that is primarily motivated by visiting primary or processed food producers, food festivals, restaurants and a food production area (Hall et al., 2004)). "Food tourism" is on the production side, emphasizing the product; "Culinary tourism" is in the middle, emphasizing the process of food and services; "Gastronomy tourism" is on the consumer side, emphasizing the tourists' experience.

"Gastronomy tourism" is mostly used to analysis gastronomic tourists' behavior in the existing literature, which defined as "being in pursuit of the unique experience of eating and drinking" (Hall & Mitchell, 2005). Therefore, "Gastronomy tourism" will be used in this paper, it not only highlights that tourist's travel for tasting food and drink (Santich, 2004; Wolf, 2002), but also emphases the enjoyment of eating and drinking experience (Green & Dougherty, 2008).

# **2.2 Types of food tourists**

It is essential to identify the types of gastronomic tourists because the marketing in the gastronomic destination is engaged in an intense rivalry. Considering each type of tourists' food choice, preference and interest are different, understanding the needs of each type of gastronomic visitors will help the destination establish a good reputation and promote the development of local gastronomic tourism.

There are various papers related to gastronomic tourism had classified the types of gastronomic tourists, these classifications are based on the relationship with the local food, but each division has its focus. Forinstance, Thompson and Prideaux (2009) determined food tourists into three groups (Food and wine tourists, Undecided, Not-interested) based on the importance of self-identify experiencing to tourists. Björk and Kauppinen-Räisänen (2016) indicated gastronomic tourists have three types: experiences, enjoyers, survivors.Most of these types mentioned above only highlight the importance of food but ignored the role of tourists. Considering that tourists are the core of the travel process, the classification of gastronomic tourists should take it into account.

Tourist's involvement is another important dividing basis of the types of gastronomic tourists except for the relationship between tourists and food. Hjalager (2004) divided food tourists into four different segments (existential, experiential, recreational, diversionary gastronomy tourists) based on the individual's involvement with food. Mitchell and Hall(2004)developed a conceptual segmentation based on involvement, food neophobia, and interest that separates food tourists into four clusters ("Gastronome, indigenous, tourist, familiar food" food tourists).Getz et al.'s (2014) separated gastronomic tourists into three parts (dynamic foodies, active foodies, passive foodies) by tourist's participation in food-related events and levels of food involvement.

Thus, this paper will adopt hall and Sharples's classification types, which combine the main purpose of food and unique food experience; the gastronomic tourists are divided into four groups as high interest, moderate interest, low interest, and low interest/no interest based on the level of interest in food when traveling. This classification is in line with the characteristic of gastronomic tourism, combine the food and individual involvement. The high-interest tourists think the food is the principal of destination choice; the moderate interest tourists view food-related activities as essential to understanding a destination's local lifestyle; the low-interest tourists want to experience food-related activities; the low interest/no interest tourists consider food and eating as simply satisfying needs.

# **2.3 Factors influencing tourist food consumption**

Food consumption of gastronomic tourists is a key issue in the gastronomy tourism research (Mynttinen et al., 2015). At the initial period of the gastronomy tourism research, many research attempts to discover the factors influencing tourist food consumption while lacking the holistic understanding. Kim et al. (2009) explore the food consumption of tourist in their motivational factors, demographic factors, and physiological factors, which means the motivation of gastronomic tourists was included in those factors firstly. Although many studies try to explore other factors influencing food consumption, such as experience (Ryu & Jang, 2006), religious

influence (Khan& Hackler, 1981) or exposure effect (Luckow et al., 2006), almost all of these factors can be included in the three categories proposed by Kim et al (2009). Therefore, it is necessary to investigate the behavior of gastronomic tourists from their demographic, physiological and motivational views.

### 2.3.1 Social-demographic factors

Previous studies have shown that social-demographic factors affect food tourist consumption significantly, which contains the tourist's age, gender, education, occupation (Furst et al., 1996; Khan, 1981). Also, the change of socio-demographic factors will affect or change tourists' food consumption. Thus socio-demographic factors are important determinates of the behavior of gastronomic tourists. However, socio-demographic factors cannot successfully explain tourists food consumption due to tourists with a higher education level may be older and have a higher social status (Khan, 1981; Mak et al., 2012). Therefore, other factors should be considered to better understand gastronomic tourists' behavior except for socio-demographic factors.

# **2.3.2 Psychological factors**

Food-related personality traits have been recognized as important psychological constructs which affect tourist food consumption significantly (Mak et al., 2012), and two main traits, which are food neophobia and food neophilia, have attracted more and more attention from researchers.

Food neophobia is the tendency for the human that they may be cautious to try unfamiliar or unusual foods (Fischler, 1988). And the neophobic tendency would be prominent in tourists' food-decision process even though they already prepared for engaging in a novel or unusual experience (Cohen & Avieli, 2004). Thus, local food in unfamiliar destinations can be the obstacle rather the attraction to neophobic tourists. While food neophilia represents a high variety-seeking tendency in food choice, which was also some researchers call variety-seeking (Mak et al., 2012b). For instance, Quan and Wang (2004) supported that some tourists may stay in the hotel to avoid local food, but they will behave differently to try local food when seeking variety experience. In general, the tourist may resist unfamiliar food (neophobia) but hope to try the novel food (neophibilic) (Fischler, 1988), and their food-related psychological characteristic will change because of tourist' experience and their motivation.

# **2.3.3 Motivational factors**

The first attempt to link tourist motivation and tourist food motivation was research of Fields (2002) adopted from McIntosh et al. (1995), and he proposed four motivational factors: physical, cultural, interpersonal, and status and prestige factor. Also, Kim et al. (2009) developed a model to explained local food consumption of tourists by nine motivators, which were an exciting experience, escape from routine, health concern, learning knowledge, authentic experience, togetherness, prestige, sensory appeal and physical. But this classification ignored some factors like familiarity and variety. Also, three dimensions were identified based on a dichotomous approach, which was symbolic - obligatory, novelty - familiarity, and contrast -extension (Mak et al., 2012). Further, Mak et al. (2013) divided the motivational factors into five dimensions (symbolic, obligatory, contrast, extension, and pleasure), and this study examined not only local

food motivation but also non-local food motivation. In general, the motivations of Chinese gastronomic tourists this paper proposed are prestige and cultural knowledge(symbolic factor), assurance (obligatory factor), novelty and variety and escape from routine (contrast factor), familiarity and eating habit (extension factor), and sensory pleasure and group harmony (pleasure factor).

Based on international tourism, culture is one of the most important factors affecting tourist food consumption (Mak et al., 2012). Gastronomic tourists from different cultural backgrounds may have different food preference or choice and different standards regarding whether the food is acceptable (Long, 2004). However, little research focused on tourist food consumption in the context of domestic tourism, which means the local culture tourist experienced may be similar to their own culture. Food played a prominent role in Chinese cultural and Chinese food culture has the distinct features of diversity and flexibility (Chang, 1977). Chinese tourists can easily enjoy different regional food in their city, and most of them can be familiar with this food if they want. Therefore, food consumption behaviors of domestic gastronomic tourists traveling in China will be quite different from those in other countries.

Thus, to meet the objective of this paper, the study will be conducted with the sample of Chinese gastronomic tourists who travel in Chengdu and examine the behavior of Chinese gastronomic tourists from their social-demographic factors, psychological factors, and motivational factors.

# 3. Methodology

# 3.1. Measurement

The survey questionnaire was used to collect data, and all of the items were from the previous literature (Hall et al., 2004; Mak et al., 2017; Park et al., 2008; Kim& Eves, 2009; Pliner and Hobden, 1992) and responded to questions about gastronomic tourism. In the survey, all questions used a five-point Likert-type scale from 1 (disagree strongly) to 5 (agree strongly). The questionnaire used in this paper included four large blocks. In the first block gastronomic tourists are divided into four groups as high interest, moderate interest, low interest and no interest based on the involvement and motivation. The survey then measured the gastronomic tourist's motivation included seven dimensions, namely, prestige, culture knowledge, assurance, novelty& variety, escape from routine, familiarity & eating habit, sensory pleasure. Attention then shifts to the psychological factors which influence gastronomic tourist food consumption significant. Gastronomic tourists are divided into food neophobia and food neophilia two categories. The last block of this survey was participants' social-demographic factors.

# 3.2 Data collection

The surveys were collected from December 2017 to January 2018 by a group of surveyors in Chinese at famous and popular tourist attractions. About 550 Chinese tourists were approached, and a total of 467 responses were obtained. The response rate of the study was high, which is an essential criterion for quantitative studies.

# 3.3 Data analysis

Data were analyzed using SPSS 22.0 and Amos 17.0. The demographic profile of the total respondents was identified by frequency analyses. Then the paper conducted ANOVAs to analyze statistically significant differences among respondents with different level of involvement and their attitude to food. This approach identified four segments: high interest, moderate interest, low interest, and no interest.

# 4. Results

# 4.1 Exploratory factor analysis

Exploratory factor analysis (EFA) was used on the motivation of the gastronomic tourists. The results of Kaiser-Meyer-Olkin (KMO) is 0.858(>0.60), which shows it is appropriate for factor analysis (Kaiser, 1974; Field, 2009). The significance p of the Bartlett spherical test is 0.000 (<0.01), the result of the cumulative variance contribution rate is 66.603%, all factors loading scores were higher than 0.5, which shows good correlation between the items and the factor groups to which they belong (Pallant, 2013). The Cronbach's  $\alpha$  of Novelty & variety, Sensory pleasure, Prestige, Escape from routine, Assurance, Cultural knowledge, Familiarity& Eating habit are 0..835, 0.811, 0.834, 0.783, 0.857, 0.816, 0.737 respectively, were all greater than 0.7(Table 1).

Factors and items	Factor	loading	Mean(SD)	Critical ratio
	EFA	CFA		
Novelty & variety				
To try out foods I have never tried before	.71		3.84(1.16)	
To try some novelty food	.75	.60	4.05(1.09)	13.79
To sample authentic local foods	.68	.77	4.40(0.91)	11.66
To try foods that are only available in Chengdu	.72	.83	4.43(0.88)	9.67
To dine in famous restaurants in Chengdu	.74	.75	4.26(1.03)	11.86
Sensory pleasure				
local food I eat on holiday smells nice	.78	.78	4.00(1.04)	10.94
local food I eat on holiday looks nice	.77	.77	3.94(1.05)	11.08
local food I eat on holiday tastes good	.72	.74	4.18(0.96)	12.01
Attractive environment	.63	.55	3.45(1.05)	14.13
Having local food increases friendship or kinship	.48	.57	3.94(1.11)	13.76
Prestige				
To gain popularity among my friends and family	.86	.92	1.94(1.11)	4.95
To make others think I am cool	.86	.87	1.94(1.14)	8.03

Table 1 Exploratory factor analysis results and Confirmatory factor analysis results

To make my friends kn	ow I went to Chengdu	.79	.65	2.42(1.34)	13.81
I like to talk to everybo	dy about my local food experience	.66		2.57(1.37)	
Escape from routine					
Tasting local food on h noise	oliday takes me away from the crowds and	.78		2.68(1.27)	
Tasting local food on h	oliday makes me escape from routine life	.79	.68	3.36(1.26)	12.00
Tasting local food on h	oliday can adjust the rhythm of my life	.71	.81	3.71(1.15)	8.09
Tasting local food on h	oliday helps me to relax	.56	.69	3.95(1.08)	11.51
Assurance					
recommendations by fr	iends/or other people	.78	.70	3.48(1.23)	13.44
recommendations by th	e social media	.88	.93	3.25(1.26)	4.54
recommendations by th	e Internet/APP	.88	.84	3.17(1.30)	9.75
Cultural knowledge					
Experiencing local food	l can enrich my personal experience	.79	.75	4.02(1.09)	11.30
Experiencing local food knowledge about differ	l gives me an opportunity to increase my ent cultures	.80	.80	4.21(1.00)	9.80
Experiencing local food tastes like	enables me to learn what this local food	.69	.78	4.28(0.93)	10.24
Familiarity & Eating	habit				
To dine in chain restau	rants that I have been to	.75	.60	2.76(1.27)	12.87
To enjoy foods that I ar	n familiar with	.81	.83	2.86(1.28)	6.02
To have foods that mate	ch with my usual eating habit	.75	.68	3.02(1.28)	10.86

Note: KMO, 0.858; Bartlett test of Sphericity, 5753.421; Sig., .00; Each item has a 5-point Likert response set: disagree strongly to agree strongly. Model measurement fit:  $\chi 2$  =509.000 (df = 231, p < .001),  $\chi 2$ /df = 2.203, RMSEA = .051, GFI= .915, AFGI= .889, CFI = .943, NFI = .901.

### 4.2 Confirmatory factor analysis )CFA(

All the factor loadings were greater than .50 (Bagozzi & Yi, 1988), which showed a good fit with the data and confirmed the convergent validity. Considering the results of an initial test of the CFA did not meet the proposed standard. Therefore, the results of the second CFA with 24 indicators associated with the seven motivational factors were determined. The index of model fit showed an acceptable level with:  $\chi 2 = 509.000$  (df = 231, p < .001),  $\chi 2/df = 2.203$ , RMSEA = .051, GFI= .915, AGFI= .889, CFI = .943, NFI = .901. The AVE of Novelty and variety, Sensory pleasure, Prestige, Escape from routine, Assurance, Cultural knowledge, Familiarity and Eating habit is 0.551, 0.475, 0.675, 0.531, 0.687, 0.604, 0.504 respectively (Table1).

In this paper, all correlations were lower than 0.85, achieve the requirement of discriminant validity

(Hung & Petrick, 2010). The square root of the AVE value of each latent variable in the model is greater than the correlation coefficient between the various variables and the other variables; discriminant validity was established (Fornell & Larcker, 1981) (Table 2).

	F1	F2	F3	F4	F5	F6	F7
F1 Cultural knowledge	1						
F2 Assurance	.205	1					
F3 Prestige	.110	.211	1				
F4 Escape from routine	.370	.193	.156	1			
F5 Familiarity & Eating Habit	.111	.197	.268	.278	1		
F6 Novelty & variety	.332	.142	.058	.235	.081	1	
F7 Sensory pleasure	.291	.159	.093	.319	.172	.276	1

Table 2 Correlations of final measurement scale

# 4.3 Segmentation of the gastronomic tourist

Table 4 shows the average score of the objects in each cluster that reports the prime motivator to Chengdu and involve in food-related activity. The F-statistic of ANOVA shows that the compared means are not equal.

A two-step hierarchical cluster analysis was performed. First, survey objects were divided into two parts according to whether the food-related activities were the primary motivation to Chengdu. In general, 9.4% of participates are "High Interest." This cluster is both high in participating in food-related activities and motivation to gastronomic travel. Then, the remaining 90.6% of the objects were classified into three groups according to the involvement in the food-related activities in the past two years. This classification was under the criterion of maximizing the variance between types and minimizing the variance (Gálvez et al., 2017). The first group consists of 54.8% participates, is "Moderate Interest." This segment had a high engagement in food-related activities and viewed it as essential to understanding a destination's local lifestyle. About 29.8% respondents reported low engagement in food-related activities; they are termed "low Interested." This cluster involves in food-related activities is mostly accidental. The final and smallest group is "No Interest" account for 6%; the no interest tourists consider food and eating as merely satisfying needs.

Table 3 Characterization of average clusters items interest in gastronomy.

Having participated in the following

Gastronomic Segments

ANOVA

cultural and entertainment activities during the past two years:	high	Moderate	low	no		
	interest	interest	interest	interest	F	Sig.
	Mean	Mean	Mean	Mean		
Restaurant dining – regional or local cooking	2.04(*)	3.82(*)	4.16(*)	5.00(*)	74.851	< 0.001
Restaurant dining – internationally acclaimed restaurants	1.89(*)	3.24(*)	3.43(*)	5.00(*)	64.822	< 0.001
To experience the good life with fine cuisine and being pampered	1.85(*)	3.22(*)	3.84(*)	5.00(*)	78.701	< 0.001
Indicating that a gastronomic region would make me "a lot more interested" in taking a trip to Chengdu:	2.04(*)	2.80(*)	4.54(*)	4.80(*)	367.668	< 0.001

 $<sup>(\</sup>overline{*})$  Values in bold present significant differences in two out of the four conglomerates in the post-hoc analysis of ANOVA. To be able to contrast the significant differences between the different means The Games-Howell test has been applied.

### 4.4 Socio-demographic

The sample's socio-demographic characteristics are shown in Table 5. The percentage of respondent whose age mainly distributed in 19-30 years old takes up 81.16%; from the educational background, the university occupies 70.02%. Groups whose monthly income is below 3,000 RMB take up 43.68%. 47.11% of respondents are single. In general, the selected sample covers a wide range to maintain better sample randomness. The results of ANOVA test showed that there is a significant difference only in monthly income factor among four groups of tourists (F-ratio=3.088, p=0.027). In general, the per capita cost of tourists is mainly distributed in  $\pm$ 50-  $\pm$ 200 this area, accounting for 70.87% of the total, and the high-interest gastronomic tourists are willing to pay more. All groups accompanying travelers are by the general situation, and the main accompanying travelers are friends/colleague, family/relatives and couple (Table 6).

Variables	Categories		Gastro	nomic Segn	nents		F-ratio	Sig.
		High	Moderate	low	No	Total	-	
		interest	interest	interest	interest	Total		
Gender	Male	36.36%	34.38%	42.00%	28.60%	36.83%	1.122	.340
Gender	Female	63.63%	65.62%	58.00%	71.40%	63.17%		
	Younger than 18	2.27%	3.52%	1.44%	3.60%	2.78%	.750	.523
	19-30 years old	75.00%	81.25%	85.60%	67.80%	81.16%		
4.00	31–39 years old	15.91%	10.16%	10.80%	25.00%	11.78%		
Age	40-49 years old	4.55%	1.56%	0.72%	3.60%	1.71%		
Age	50-59 years old	2.27%	3.12%	1.44%		2.36%		
	60 years old or more		0.39%			0.21%		
	High school or below	2.27%	3.52%	2.16%	7.14%	3.21%	.440	.725
Academic	College	20.45%	17.19%	15.11%	14.29%	16.70%		
formation	University	61.36%	68.36%	74.82%	75.00%	70.02%		
	Postgraduate and over	15.91%	10.94%	7.91%	3.57%	10.06%		
	single	43.18%	42.97%	53.24%	60.71%	47.11%	1.954	.120
Manifal states	single with children	2.34%	2.34%	2.88%		2.36%		
Marital status	married without children	38.67%	38.67%	32.37%	25.00%	35.97%		
	married with children	16.02%	16.02%	11.51%	14.29%	14.56%		
	≤¥3,000	31.82%	45.31%	43.88%	46.43%	43.68%	3.088	.027
	¥ 3,001 ¥ 5,000	20.45%	26.56%	20.86%	35.71%	24.84%		

Table 4 Socio-demographic profile

	¥ 5,001¥ 7,000	15.91%	9.38%	11.51%	3.57%	10.28%		
Monthly	¥ 7,001 ¥ 9,000	4.55%	5.86%	6.47%		5.57%		
income available	¥ 9,001¥ 11,000	4.55%	5.86%	7.91%	7.14%	6.42%		
	≥¥ 11,000	22.73%	7.03%	9.35%	7.14%	9.21%		
	East China region	18.18%	15.23%	12.95%	14.29%	14.78%	2.227	.0
	Central China region	15.91%	10.16%	9.35%	21.43%	11.13%		
	North China region	6.82%	14.45%	11.51%	3.57%	12.21%		
Region	South China region	6.82%	12.11%	16.55%	10.71%	12.85%		
Region	Northeast China region	15.91%	9.38%	5.76%	7.14%	8.78%		
	Northwest China region	25.0%	28.13%	30.94%	25.00%	28.48%		
	Southwest China region	4.55%	7.42%	8.63%	17.86%	8.14%		
	Others	6.82%	3.13%	4.32%		3.64%		

# Table 5 One-way ANOVA Tests on Per capita consumption and Accompanying travelers of gastronomic tourists

Variables	Categories	Gastronomic segment				Total	F-ratio	Sig
		high	Moderate	Low	no			
		interest	interest	interest	interest			
Per capita consumption	<¥50	4.44%	3.91%	3.62%	7.14%	4.07%		0.26
	¥50 - ¥100	24.44%	28.13%	39.13%	39.29%	31.69%		
	¥101 - ¥150	24.44%	22.27%	15.22%	21.43%	20.34%	1.33	
	¥150 - ¥200	15.56%	21.09%	15.94%	17.86%	18.84%		
	¥201 - ¥250	6.67%	10.55%	11.59%	7.14%	10.28%		
	>¥250	24.44%	14.06%	14.49%	7.14%	14.78%		
Accompan- ying travelers	None (alone)	2.27%	1.56%	5.04%	7.14%	3.00%		
	Friends/ Colleagues	59.09%	50.00%	53.96%	57.14%	52.46%		
	Famil <b>2</b> 5.00% Relatives		22.27%	18.71%	21.43%	21.41%	1.90	0.13
	Couple	13.64%	25.39%	21.58%	10.71%	22.27%		
	Oth	ners	0.78%	0.72%	3.57%	0.86%		

# 4.5 Motivation and food-related personality traits aspects of the tourists

One of the aims of this paper is to reveal if there are significant differences among different groups of domestic gastronomic tourists. After comparing the four categories of tourists on the seven motivation dimensions and two food-related personality traits dimensions, the groups which were different in these dimensions were determined by a series of ANOVA tests (Table7). There is no significant difference for prestige factor across interested groups. In all, tourists are most likely to be motivated by novelty and variety factor, while are most difficult to be influenced by prestige factor and familiarity factor. Also, the difference between gastronomic tourists and nongastronomic tourists is significant. Furthermore, the higher the interest tourists were, the higher the perceived importance of the motivation for those people. However, this is not suitable for the escaping from routine factor, because the no interest gastronomic tourist perceived more than the low-interest tourists who would be because tourists who do not interested in food would relax more strongly.

	items		Gastronomic Segments				F-ratio	Sig
		high	Moderate	Low	no			
		interest	interest	interest	interest			
	Cultural knowledge	4.64	4.27	3.94	3.62	4.17	13.43	P=0.000
	Assurance	3.47	3.47	3.00	2.95	3.30	7.02	P=0.000
	Prestige	2.28	2.17	1.96	1.87	2.10	2.17	P=0.09
Motivations	Escape from routine	4.10	3.76	3.40	3.57	3.67	7.89	P=0.000
	Familiarity & Eating Habit	3.44	2.88	2.76	2.63	2.88	5.68	P=0.000
	Novelty & variety	4.68	4.40	4.08	3.60	4.29	17.36	P=0.000
	Sensory pleasure	4.28	4.01	3.70	3.31	3.90	14.60	P=0.000

Table 7 One-way ANOVA Tests on Motivational Dimensions by Four Gastronomic Groups

Regarding food-related personality traits, respondents were divided into two groups based on their score. Results of ANOVA test presented that there was the significant difference between four categories of interested tourists. High/moderate interested tourists have a higher percentage of "neophobics", while the other two groups of tourists show more food neophilia tendency (Table 8).

Table 8 One-way ANOVA Tests on Motivational Dimensions by Four Gastronomic Groups

Food-related personality traits

Gastronomic Segments

					Total	F-ratio	Sig
	High	Moderate	Low	No			
	interest	interest	interest	interest			
Neophilics	31.82%	47.27%	60.43%	75.00%	51.39%	6.649	P=0.000
Neophobics	68.18%	52.73%	39.57%	25.00%	48.61%	0.049	r=0.000
total	100%	100%	100%	100%	100%		

# 5. Conclusion

Local food has been one of the main attraction and distinct features for some destinations, especially for urban tourism destinations (Okumuset al., 2007, 2013). Considering the rise of attention of local gastronomy on tourists' trip, this paper has highlighted the importance of gastronomic tourists with the factors influencing their food consumption. Previous researchers segmented gastronomic travelers through their involvement and motivation (Hjalager, 2004; Getz et al., 2014), but most of them failed to combine these two factors. Even this combination view in some literature, they just assumed that people with high motivation would have high involvement (e.g. Levitt et al., 2017). There is paucity that tourists may show high (low) food motivation when travelling with low (high) involvement. This paper was designed to fill the gap in the gastronomic tourism literature. Further, through the review of literature, this research not only determined the dimension of motivations influencing tourists' food consumption, but also adjusted some items in Chinese tourism context. At last, this paper compares different groups of gastronomic tourists on their socio-demographic factors, motivational factors and food-related personality.

The contribution of this paper is focused on the conducted area, the city of Chengdu in China. The existing research on gastronomic tourism mainly is foreign studies, the studies about Chinese gastronomic tourism is still inadequate. In this respect, this research based on the previous gastronomic papers focuses on the Chinese tourists' gastronomic tourism in China. By classifying the type of gastronomic tourists, analyzing their consumption behavior characteristic and exploring its influencing factors. It will help enrich the content of gastronomic tourism research. Also, the practical application of this study is to understand the characteristics of tourists in different groups, and their food consumption in Chengdu. So that, the destination can develops a suitable marketing strategy according to the consumption factors. For instance, the restaurant serving tourists can increase the positive word of mouth to meet younger groups as such groups tend to be more reliant on social media, APP. Tourists coming to Chengdu are more likely to taste local food in food courts, the street vendor, mid-range restaurants. This result can help restaurants in these places effectively identify their consumers, focusing on these groups may increase the effectiveness of marketing efforts. Furthermore, young people account for the vast majority of gastronomic tourism, which in turn the majority of female groups. Thus, restaurants can make some menus suitable for mid - file consumption, because these groups are mostly young and tend to be medium per capita consumption level.

This study had several limitations that should be considered in future research. First, the questionnaires were collected in winter at Chengdu. The seasonality may influence tourist demand for food and availability of some special local food; it may not represent all gastronomic tourists thus limiting the generalizability. In addition, of the sample this study used, female and younger people occupied more percentage. Further research need to take a larger number of other types of people into consideration.

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# PUBLIC AND PRIVATE ENGAGEMENT IN URBAN CULTURAL REGENERATION. EVIDENCES FROM ITALIAN CITIES

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Key words: public and private actors; cultural heritage hybridization; creativity; stakeholder engagement; strategy; cultural regeneration models.

# Long Abstract

Academics and policy makers widely recognize that heritage, culture and creativity are engines of urban development, regeneration and innovation and catalysts of urban tourism (Della Lucia, Trunfio & Go, 2017; Florida, 2002; Landry, 2000; Lazzeretti, 2004; Sacco, Ferilli & Tavano Blessi, 2014; Tang, 2016). *Creative cities* identify dynamic contexts where creativity flourishes and innovates traditional urban development models (Landry & Bianchini, 1995).

Public policies and public cultural organizations have had a leading role in urban cultural regeneration and creative city building (DCMS, 2004; KEA 2009; European Commission, 2010; OECD, 2014; UNCTAD, 2015; Van Boxmeer & Van Beckhoven, 2005), through investments inspired by best practices of urban transformation (Hazime, 2010; Plaza & Haarich, 2010). Less attention has been drawn on private actor engagement and community involvement (Lidegaard, Nuccio & Bille, 2017) although a shift from top-down to bottom-up approaches to urban transformation has long been advocated (Bianchini, 1993; Mommaas, 2004) to activate sustainable urban regeneration.

This exploratory paper compare the role of public and private actors in cultural regeneration and tourism development in the city. Following a literature review on both culture-led regeneration and creative city, it applies an integrated conceptual framework bringing together the drivers shaping cultural regeneration models (Della Lucia et al., 2017), the factors facilitating creative city building (Borseková et al., 2017) and the strategies used to engage community in urban transformation (Lidegaard et al., 2017).

A multiple-case study (Yin, 2014) has been used to provide insights in Italian best practices in urban cultural transformation. Qualitative methods and tools were used to collect case evidence and identify similarities and differences into the role of public and private actors. Italy has been chosen to carry out case study analysis as this country has a rich artistic and cultural heritage (MIBACT, 2015) and is one of the top ten world tourism ranked 5th in international tourist arrivals and 7th in tourism receipts in 2017 (UNWTO, 2017). Italy has also one of the largest cultural and

creative industry in Europe and some sectors, including made-in-Italy, enjoy a strong international position (Santagata, 2009; Symbola, 2016). Both traditional urban development paths based on (cultural) tourism and made-in-Italy, and innovative paths based on the hybridization of cultural heritage with different sources of creativity are in place in this country (Della Lucia & Segre, 2017) and are prompted by both public and private actors.

Public and private actors show similarities in activating the evolutionary process of cultural regeneration: explicit strategy are used to lever on both tangible and intangible factors in order to enhance and extract value from heritage-creativity hybridization. However, there are differences in the capacity to engage urban stakeholders in an effective social and economic transformation of the city and in tourism attractiveness. The discussion and conclusion sketches the managerial implications of the study and open rooms for future research.

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# HOSPITALITY IN HUMAN RESOURCES AND QUALITY OF WORK LIFE LEADING TO SATISFACTION AMONG EMPLOYEES

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# Abstract

The goal of this study was to analyze the satisfaction and wellbeing among employees of service companies in the city of São Paulo as an effect of hospitality in human resources and their quality of work life. The research was descriptive. A questionnaire was designed based on a seven-point Likert scale containing three scales (Hospitality, Quality of Work Life and Satisfaction) and applied to a non-probabilistic sample of 201 respondents. The multivariate data Structural Equation Modeling (SEM) was used for analysis. This study offers new insights to literature on human resource management, focusing on the hospitality of this strategic sector.

Keywords: hospitality, quality of work life, satisfaction, quality, HRM

## Introduction

Business differentiation is a factor of competitiveness in companies, which includes elements such as human resource management (HRM) (Bal & De Lange, 2015; Mahapatra, 2011; Souza, Roglio, Renwick & Takahashi, 2014) and social responsibility (Kim, Kim & Mattila, 2017). Specifically, in relation to hospitality, some studies point to an increase in competitiveness (Al-Refaie, 2015; Madera, Dawson, Guchait, & Belarmino, 2017; Martin-Rios, Pougnet, & Nogareda, 2017).

Studies on hospitality as a factor of competitiveness are related to the perception of quality, values, satisfaction, and, specifically, human resource management, which is very relevant for this analysis (Alcaraz et al., 2017; Cho, Woods, (Shawn) Jang, Erdem, 2006; Madera et al., 2017; Martin-Rios et al., 2017).

This article analyzes hospitality perception, quality of work life, and its tangible aspects in relation to the employees' satisfaction regarding attention provided by their organization's human resources department.

Brazilian economy is complex, hence, this article's proposal involves the analysis of factors of competitiveness on HRM, specifically, in the most economically significant region: the metropolitan area of São Paulo has more than 21 million inhabitants and a GDP over BR\$ 1tri, thus justifying the study and its chosen region (EMPLASA, 2018).

## Literature review

## Hospitality

By principle, human and interpersonal relationships occur in public or private social environments. Based on this, hospitality can be characterized as an exchange of tangible or intangible goods between the host and the recipient (client, guest). (Telfer, 2004)

Hospitality can also be understood as an activity, such as: "the provision of food and beverages and, occasionally, accommodation for people who are not regular members of the household" (Telfer, 2004, p. 54). This way, hospitality as the provision of a service is considered a commercial domain (Lashley & Morrison, 2004) and is based on the premise that service management is concerned with the welfare of its stakeholders. Therefore, hospitality should contribute to better meet their expectations. In this research, the concept of hospitality involves the relationship between the host (HRM employees) and the employees these deal with (Cho et al., 2006; Madera et al., 2017; Martin-Rios et al., 2017).

There are several studies about employee performance and their direct influence on employee wellbeing and satisfaction (Cho et al., 2006). Organizations seek to meet the needs of their employees looking to increase their financial and productive results (Kara, Uysal, Sirgy, & Lee, 2013). Specifically, in hospitality companies, such an approach is enhanced (Baum, Guerrier & Deery, 1998; Pizam & Ellis, 1999).

This study analyzes the hospitality aspects of HRM department in relation to quality of work life and employee satisfaction using a scale developed by Blain & Lashley (2014). The hypotheses are presented below:

- H<sub>1</sub>: The aspects of hospitality in the HR department have a direct, positive effect on the perceived Quality of Work Life of the employees;
- H<sub>2</sub>: Hospitality has a direct, positive effect on perceived Satisfaction for the work performed by the employees of the organizations.

## **Quality of Work Life**

The constant search among managers to retain, motivate and engage employees has been the subject of research for many years (Berger & Vanger, 1986; Petrides & Furnham, 2006). There is a constant attempt to understand employee needs in order to satisfy their basic needs, which will be referenced as "tangible benefits", and other forms of motivation, likely linked to self-esteem

needs, which will be referenced as as "quality of life perception" (De Lange, 2015; Deery & Jago, 2015; Kang, Busser, & Choi, 2018; Lee, Back, & Chan, 2015).

Basic needs of the employees are linked to tangible benefits, which can be thus quantified. For instance: salary, support for food, transportation, and health (Deery & Jago, 2015; J.-S. Lee et al., 2015). There are studies indicating that employees give more importance to tangible aspects regarding satisfaction (J.-S. Lee et al., 2015; Thompson, Poulston, & Neill, 2017). However, other studies suggest subjective aspects, such as organizational climate, diversity, flexibility, health, happiness, opportunities, disposition, and also purpose (Baum, 2015; King, Murillo, & Lee, 2017; J.-S. Lee et al., 2015; Zhong, Wayne, & Liden, 2016).

Satisfaction with quality of work life may be given due to several factors, such as assignments (Efraty & Sirgy, 1990), motivational and hygiene factors "Herzberg's Theory" (Smerek & Peterson, 2006), health and economics (D. -J. Lee, Singhapakdi, & Sirgy, 2007), psychological factors (Shan, Imran, Lewis, & Zhai, 2017), formulations of policies and practices, or involving gender and leadership aspects (Kara, Kim, Lee, & Uysal, 2018).

Other studies using the QWL scale (Walton, 1975) show different results when employees live a different reality, as was the case of bank employees (Tabassuma, And & Jahanc, 2011), whose stress outweighs the feeling of wellbeing in the company. Also, Kasraie, Parsa, Hassani, & Ghasem-Zadeh (2014) analyzed how QWL sensation is influenced by workplace stress. Therefore, although studies show positive results, it is worth emphasizing that each situation must be analyzed and contextualized, since some variables can significantly change the outcome.

From these approaches of perceiving quality of work life, *i.e.*, tangible aspects and emotional aspects, Walton (1975) developed the QWL scale (Table 2) which was applied in this study and which tested the following hypotheses:

- H<sub>3</sub>: Quality of Work Life has a direct, positive effect on perceived Satisfaction.
- H<sub>4</sub>: Tangible benefits have a direct, positive effect on perceived Quality of Work Life.
- H<sub>5</sub>: Tangible benefits have a direct, positive effect on perceived Satisfaction.

This article uses the research model illustrated in Figure 1, considering the constructs Hospitality, Quality of Work Life and Satisfaction.

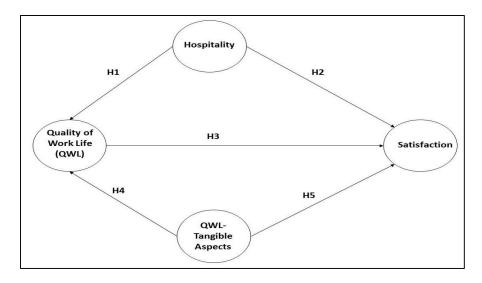


Figure 1: Research model

## **Research method**

This article analyzes the perception of hospitality, quality of work life, its tangible aspects on employee satisfaction regarding the service received from HR in their company. Figure 1 shows the research model.

The GoogleDocs® platform was used for this purpose. Originally, the questionnaire had 36 questions on a 7-point Likert scale (1-Totally Disagree and 7-Totally Agree) adapted from the Hospitality Scales (Blain & Lashley, 2014), Quality (Hair et al., 2010), and SERVQUAL scale satisfaction (Parasuraman, Zeithaml, & Berry, 1988). After an exploratory factorial analysis (Hair et al., 2010), variables with loadings lower than 0.50 were excluded (Hair et al., 2010). The final research model had 30 variables, as shown in Table 2.

The research was defined as quantitative descriptive. The sample was non-probabilistic and accessible, formed by 201 valid questionnaires. A Multivariate Structural Equation Modeling (SEM) technique was adopted using SmartPLS 3 software (Ringle, Wende, & Becker, 2015) for data analysis. According to Hair, Black, Babin, Anderson & Tatham, (2010, p. 36) "structural equation modeling provides the appropriate and a more efficient estimation technique for a series of separate multiple regression equations estimated simultaneously", as shown in Figure 1.

The next section gathers results obtained from the field research and analyzed through SmartPLS 3 software, which, as stated by Ringle et al. (2015), aims to test the validity of the proposed model.

## Analysis and findings

Demographic data is gathered in Table 1, evidencing a sample characterized as follows: 53.73% women; 56.22% with up to 5 years of work in the current company; age wise there is a very normal distribution, as and respondents range between 26 and 60 years old; the predominant functions are administrative roles (operational), representing 39.30%. Since the sample is non-probabilistic and

accessible, these results are not to be generalized; rather, the study seeks to evidence sample behavior regarding hypothesized aspects.

Time at work	Frequenc y	nc % Age Group		requenc % Age Group		Frequency	%
5 years or less	113	56.22%	25 years or less	23	11.44%		
From 5 to 10 years	50	24.88%	From 26 to 35 years	54	26.87%		
From 11 to 15 years	13	6.47%	From 36 to 45 years	60	29.85%		
Over 15 years	25	12.44%	From 46 to 60 years	55	27.36%		
Total	201	100%	Over 60 years	9	4.48%		
			Total	201	100%		
Function	Frequenc y	%	Gender	Frequency	%		
Administration	79	39.30%	Feminine	108	53.73%		
Coordination/Management	63	31.34%	Masculine	93	46.27%		
Directors	13	6.47%	Total	201	100%		
Operational	46	22.89%					
Total	201	100%					

## Table 1: Descriptive Statistics

Source: Research data (2017)

Variables and their loads are shown in Table 2. An analysis was performed with SmartPLS 3 software, striving to test the model's validity (Ringle, Sarstedt, & Straub, 2012).

**Table 2:** Loadings for the measurement model

CONSTRUCT/dimension/indicator	Loadin g	Cronbach' s Alpha	(CR)	(AV E)
HOSPITALITY	5	0.979	0.981	0.799
HOSP 1CF – Excellent moments in the service by HRM.	0.897			
HOSP 2CF – Collaborator well received by HRM.	0.920			
HOSP 3CF – HRM gives employees peace of mind.	0.895			
HOSP_1CH – Genuine HRM satisfaction.	0.908			
HOSP_2CH – HRM employees take responsibility for welfare.	0.907			
HOSP_3CH – Employees demonstrate approval by HRM.	0.840			
HOSP_4CH – HRM does what employees expect during service.	0.860			
HOSP_5CH – HRM looks for opportunities to help employees.	0.911			
HOSP_1CE – HRM makes employees feel unique.	0.902			
HOSP_2CE – HRM is aligned with their collaborators.	0.886			
HOSP_3CE – Employees have HRM attention at any time.	0.871			
HOSP_4CE – HRM takes responsibility for employee wellbeing.	0.918			
QUALITY OF WORK LIFE (QWL)		0.928	0.940	0.664
QWL11 - Satisfied with work performed.	0.842			
QWL13 – Proud of their company.	0.829			
QWL14 – Appreciates quality of life in the workplace.	0.838			
QWL15 – Sees career opportunities in the company.	0.749			
QWL2 – Assess a positive work environment.	0.832			
QWL3 – Is motivated to work.	0.874			
QWL5 – Feels willing to work.	0.769			
QWL7 – Satisfied with the variety of work performed.	0.779			
QWL – TANGIBLE ASPECTS		0.875	0.906	0.616

QWL10 – The company meets basic transportation needs.	0.736			
QWL12 – The company satisfies basic food needs.	0.826			
QWL16 – Satisfied with the training received from the company.	0.780			
QWL8 – Satisfied with the benefits plan the company offers.	0.842			
QWL9 – Satisfied with health insurance plan offered by the company.	0.795			
QWL1 – Satisfied with the compensation.	0.724			
SATISFACTION		0.001	0.021	0 222
SATISFACTION		0.901	0.931	0.773
SATISFACTION SATI – HRM gives individual attention to employees.	0.894	0.901	0.931	0.773
	0.894 0.821	0.901	0.931	0.773
SAT1 – HRM gives individual attention to employees. SAT3 – HRM with enough employees to provide high quantity and quality		0.901	0.931	0.773

In order to elaborate SEM, the model's validity was verified. Cronbach's Alpha, Composite Reliability and Average Variance Extracted, presented in Table 3 and explained below, were used for this purpose.

Average Variance Extracted (AVE) is "a measure of convergence in a set of items that represents a latent construct. It is the average percentage of variation explained between items" (Hair et al., 2010, p. 589). As suggested by these authors, adequate convergent validity for stroke should be greater than or equal to 0.50. Therefore, all constructs had adequate convergent validity.

Composite Reliability is a measure of overall reliability of a collection of heterogeneous yet similar items (Hair et al., 2010). These results are above 0.70 (Table 3), suggesting general reliability (Hair et al., 2010).

According to Hair et al. (2010, p. 100) "Cronbach's Alpha is a reliability measure that varies from 0 to 1, where values from 0.60 to 0.70 are considered the lowest acceptable limit". Here, the acceptance criterion was established at 0.70, as shown in Table 3. Values obtained for all constructs were acceptable.

Alpha	Composite Reliability (CR)	Average Variance Extracto (AVE)		
0.979	0.981	0.799		
0.875	0.906	0.616		
0.928	0.940	0.664		
0.901	0.931	0.773		
	0.979 0.875 0.928	0.979         0.981           0.875         0.906           0.928         0.940		

Table 3: Construct Reliability and Validity

Discriminant Validity of latent variables is proven, when the square roots of each variable are superior to the correlation between them and the other latent variables of the model (Fornell & Larcker, 1981). This model has only one variable that does not meet this criterion (Table 4).

Construct	Hospitality	QWL-Tangible Aspects	Quality of Work Life (QWL)	Satisfaction
Hospitality	0.894			
QWL-Tangible Aspects	0.675	0.785		
Quality of Work Life (QWL)	0.588	0.646	0.815	
Satisfaction	0.948	0.707	0.585	0.879

Table 4:	Discriminant	Validity
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Source: Research data – SmartPLS (2017)

While most variables presented optimal results, the variable of hospitality failed to meet the criterion. Hence, a structural model analysis and test hypothesis followed.

Therefore, it can be affirmed that the proposed model is valid and reliable. Figure 2 presents the final model regarding employee satisfaction based on the service received by HRM in their company. This model is responsible for 90.6% of satisfaction perception considering the constructs QWL and its Tangible Aspects, significant values in social science research according to Podsakoff, MacKenzie, & Podsakoff (2012).

Hypothesis – Relationship	T Statistic ( O/STDEV  )	p-value	Observe d Effect	Result (Hypothesis)
H1: Hospitality -> Quality of Work Life (QWL)	3.353	0.001	Strong	Supported
H <sub>2</sub> : Hospitality -> Satisfaction	34.356	0.000	Strong	Supported
H3: Quality of Work Life (QWL) -> Satisfaction	0.185	0.853	No evidence	Not Supported
H4: QWL-Tangible Aspects -> Quality of Work Life (QWL)	5.583	0.000	Strong	Supported
H <sub>5</sub> : QWL-Tangible Aspects -> Satisfaction	3.672	0.000	Strong	Supported

**Table 5:** Evaluation of the Hypothetical Structural Model ( $R^2 = 0.906$ )

Results seem to support hypothesis H<sub>1</sub>, H<sub>2</sub>, H<sub>4</sub> e H<sub>5</sub>, but not H<sub>3</sub>(Table 5). Although most of them are supported, these results must be explained beyond numbers: happiness, wellbeing, perception of quality of work life and satisfaction represent an important tool for managers to increase productivity and in the literature on organizational climate and competitiveness (Cho et al., 2006; Guerrier & Deery, 1998; J.-S. Lee et al., 2015; Lu, Chen, Huang, & Chien, 2015; Zhong et al., 2016). These results represent aspects beyond cold and positivistic number analysis. In order to answer this paper's goal, five hypotheses are discussed and analyzed below.

There is evidence to support H<sub>1</sub> hypothesis on hospitality on behalf of HRM department having a direct positive and strong effect on QWL. This ratifies studies that relate HRM practices to QWL improvement among employees (Cho et al., 2006; Guerrier & Deery, 1998; Karatepe, 2013). When analyzing the hospitality industry, such results have been reported in other studies (Guerrier & Deery, 1998; Pizam & Ellis, 1999), and more recent studies reinforce this idea (Baum, Chan, Hsu, & Baum, 2015).

Evidence supporting H<sub>2</sub> was obtained: hospitality has a direct positive effect on the perception of work satisfaction by the employees. Statistical results (Table 5) reinforce previous evidence (Cho et al., 2006; Kara et al., 2013). These results also indicate that HRM can have an impact on company outcomes, since satisfied employees will be more productive and will seek ways to maximize results, either by increasing production, reducing inputs or innovating in the production process. For these reasons, companies have been concerned since the 1980s with employee wellbeing; Meeting individual needs is perceived as characteristic of hospitality. Employees are seen as the most valuable resources in the company (Guerrier & Deery, 1998; Madera et al., 2017; Martin-Rios et al., 2017; Pizam & Ellis, 1999).

The third hypothesis specifically addressed the intangible aspects of QWL, which have direct positive effect on the perception of satisfaction. This hypothesis was not confirmed (Table 5). Even though several other studies evidence a positive relation (Efraty & Sirgy, 1990; Kara et al., 2018; D.-J. Lee et al., 2007; J.-S. Lee et al., 2015), other studies have identified stress and pressure as aspects that may have a negative impact over the intangible aspects of QWL assessment (Kasraie et al., 2014; Tabassuma et al., 2011).

The fourth hypothesis regards tangible benefits with positive effects on QWL perception, that is, the employee understands that his or her wellbeing will be directly linked to the tangible benefits received from the company. This hypothesis was confirmed as according to Table 5.

When studying QWL perception, Walton (1975) analyzed tangible aspects (benefits) and intangible aspects (organizational climate, opportunities, career evolution, etc.). The same as with other studies, there were significant differences in the perception of these aspects when analyzed separately. It can be affirmed that H<sub>4</sub> was confirmed, corroborating previous studies (Deery & Jago, 2015; Kara et al., 2018; J.-E. Lee & Severt, 2017; J.-S. Lee et al., 2015; Thompson et al., 2017).

The fifth hypothesis addressed tangible benefits with a direct positive effect on employee satisfaction perception. This hypothesis was supported according to statistical results shown in Table 5. In the QWL survey (Walton, 1975), objective and subjective aspects were analyzed separately. H<sub>5</sub> was supported, confirming previous results (Deery & Jago, 2015; J.-S. Lee et al., 2015; Thompson et al., 2017). Other studies analyzed aspects related to psychological conditions and found different results (Kasraie et al., 2014; Tabassuma et al., 2011).

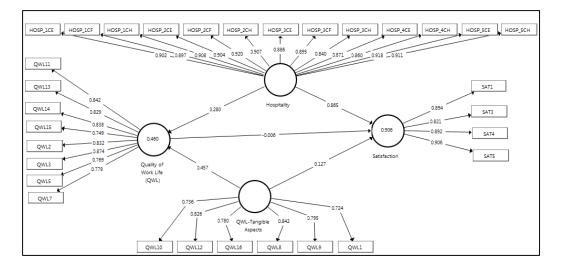


Figure 2: Final Model

All hypotheses were supported except one. Still, some aspects are not visible in quantitative results and deserve to be highlighted: on one hand, the sample, and on the other, the region studied. Regarding the former, probabilistic criteria were not used for sample selection; regarding the later, the city of São Paulo mostly has companies providing services to Brazil or area mostly nationally developed.

The research model was applied and analyzed. The results are shown in Figure 2. It can be seen that the model explains 90.6% of the factors related to employee satisfaction and 46% of QWL perception. The observed effect refers to the analysis developed by Arsham (1988) that classifies the observed effect on the hypothesis in very strong evidence ( $p \le 0.01$ ), moderate evidence ( $0.01 \le P \le 0.05$ ), suggestive evidence ( $0.05 \le P \le 0.10$ ) and little or no actual evidence ( $0.10 \le P$ ).

## **Conclusions and implications**

The purpose of this article was to improve quality of work life in terms of satisfaction and wellbeing among employees of service companies in the city of São Paulo. In order to do this, structural equations modeling was used to evaluate this relation and test the hypotheses.

The study had a sample balanced in gender (54% female and 46% male), as well as regarding respondent age range (11% up to 25 years, 27% from 26 to 35 years, 30% from 36 to 45 years, 27% from 46 to 60 years and 4% from 60 years). Most respondents (56%) have worked less than 5 years in the same company and work in the administrative (operational) area (39%), and coordination or management (31%). Results represent the reality of this sample, but are not available for generalization.

Hypotheses regarding hospitality  $(H_2)$  and tangible QWL  $(H_5)$  have direct positive effect on satisfaction. The relation between hospitality  $(H_1)$  and tangible QWL  $(H_4)$  was supported, however, QWL intangibles were not supported  $(H_3)$ .

The constant pursuit of companies for better results makes them invest in new forms of management. Since the 1980s, several studies have addressed employee wellbeing as a factor of competitiveness and increased productivity (Efraty & Sirgy, 1990; Guerrier & Deery, 1998; Pizam & Ellis, 1999). From this focus, this article examined the tangible and intangible aspects of QWL and the hospitality of HRM department.

This article adds emerging literature on HRM practices related to hospitality aspects. The search for wellbeing, happiness, and purpose allows us to affirm that this approach can be an important factor of differentiation and competitiveness between companies. This research is not conclusive on the matter, yet provides results and supports future studies. For further studies, it is suggested to enlarge the sample, as well as to use multi-group analysis (MGA) techniques.

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# THE INFLUENCE OF INTERNSHIP PROGRAMS ON STUDENTS' FUTURE PLANS IN THE TOURISM AND HOSPITALITY INDUSTRY

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## Abstract

Since empirical studies show that graduates with internships are more likely to select an organization affiliated with the industry, universities have incorporated internship programs into curriculum including hospitality management. This study focuses on the influence of internship on the future plan of undergraduate students of hospitality management in China. The data is collected by 400 semi-structured questionnaires which are distributed to undergraduate students who are majoring in hospitality or tourism management in universities in China. The findings show overall students' expectations are unmet. This study provides implications for tourism and hospitality higher education practitioners and for hospitality industry practitioners.

Key Words: internship, hospitality, expectations, perceptions, undergraduate

### Introduction

The development of the tourism industry has resulted in growing demand for adequate workforce. However, the employers are facing the problems of attracting and retaining graduate students(Lam & Ching, 2007). In China, hotels are encountered with severe human resources issues including the lack of qualified staff, high staff turnover and the unwillingness of higher education graduates to pursue a career in the industry (Zhang & Wu, 2004). Koc et al. (2014) found that a significant portion of 18.3% of the tourism and hospitality program students decided not to pursue a career in tourism and hospitality industries in Turkey. Educational institutions that provide tourism and hospitality management curriculum are making efforts to provide qualified students by incorporating internships programs into curricula. After decades of practice, internship programs have become an absolute necessity in and an inseparable aspect of tourism and hospitality management courses (Yiu & Law, 2012; Zopiatis & Constanti, 2012). Universities view internship as one of the positive strategies for recruiting students (Koc et al., 2014). Besides, internship programs provide students with opportunities to acquire professional skills and industry with low-cost student trainees (Chen & Shen, 2012). Therefore, internship programs meet the needs of all the stakeholders: educational institutions, students and industry.

High quality internship programs can enhance student' willingness to pursue a career in tourism and hospitality industry(Robinson, Ruhanen, & Breakey, 2015). However, negative influences of an inappropriately designed internship program can never be ignored. Yiu and Law (2012) addressed that students may have negative feelings about future careers in tourism and hospitality industry because of this direct experience. Barron and Maxwell (1993) showed that students' perceptions regarding the industry turned negative from positive after their internship due to the gap between their expectations and perceptions. An empirical study echoed with this findings and showed that overall students' expectations were unmet in case of Hong Kong student (Lam & Ching, 2007). This unsuccessful internship experience quickly turns the young talents away from the industry instead of retaining them.

This study aims to explore the expectations and perceptions of students regarding the internships in hospitality. Furthermore, since the internship programs are mostly arranged by schools and students do not have much choice, this study looks at what students expect from their schools.

### Literature review

There are abundant literature focusing on internships in different disciplines using different terms as experiential or active learning, work or industrial placement, practical work experience, (Auburn, 2007; Les Thompson et al., 2017; Wang et al., 2014). Based on the literature, this study defines internship in tourism and hospitality industry as a short-term period of work experience in tourism and hospitality industries required by universities, for which students can get an opportunity to practice in the real settings and academic credits.

Lately, studies have been focusing on the value and benefits of internships to all concerned – students, educators and employers. Coco (2000) suggested that internships are a win-win situation, and all participating parties can benefit from the triangular partnership among students, educational institutions and practitioners. Zopiatis (2007) concluded the value and variety of the benefits enjoyed by the students in an internship program. For practitioners, they get to obtain well-trained trainees at a low cost (Beggs et al., 2008). For universities and educators, they earn a good reputation by providing well-performed trainees (Cook et al., 2004). Yiu and Law (2012) elaborated the benefits of internships from the perspectives of students, employers and educators. However, they have also addressed that students may have negative feelings about a future career in tourism and hospitality industry because of the direct experience. Kim and Park (2013) suggested that the first impressions students formed in their internship could influence the perceptions of future career paths. Barron and Maxwell (1993) showed that students' perceptions regarding the industry turned negative from positive after their internship due to the gap between their expectations and perceptions. The authors believe that the negative internship experience could lead to a negative feeling toward the industry in the students' future career. This finding is supported by tons of literature in the next few decades (Koc et al., 2014; Richardson, 2008). However, exactly what impacts the experience or the gap between students' expectations and perceptions have on students' future plans were rarely investigated at that time.

Tourism and hospitality internships in China

China's tourism higher education has expanded rapidly both in terms of institutions and enrollment of students. Since 1979 when the first tourism institution of higher learning-Shanghai Institute of Tourism-was founded, the discipline of tourism management has experienced rapid development, especially in the 1990s(Zhang & Fan, 2005). Du(2003) stated that China's tourism higher education entered a period of fast development in the 1990s, due to the rapid growth of tourism industry and the improvement of the general higher education programs. Till now, tourism higher education in China features a pyramid structure, with the diploma program at the bottom, undergraduate programs in the middle, postgraduate and Ph.D. programs at the top (Zhang & Fan, 2005). By the end of 2016, the total number of universities and colleges offering tourism programs or specialties had reached 1690, with a total student body of more than 400,000. Unlike western countries, the tourism and hospitality internship programs in most Chinese universities are mandatory. The internships last at least three months in hotels of both local and international brands. Limited research has been undertaken to analyze the internship programs in China and to understand Chinese students' expectations and perceptions toward the internship in hospitality. This study seeks to fill this research gap.

#### **Research methods**

#### Instrument and measures

This study adopted a quantitative approach to analyzing the influence of internship programs on student's willingness to pursue a career in hospitality. A self-administered survey instrument was developed based on the existing literature. Scale items were slightly changed to examine Chinese students better. The questionnaire contained three sections. Section one consisted of 27 indicators to assess students' expectations and perceptions of the internship program, their school and the employers. Section two contained 11 questions to collect students' demographic characteristics, including their educational institutions, gender, major, and internship time, duration, placement, working department. Section three was designed with four questions to evaluate student's overall internship satisfaction, willingness to stay in hospitality and the influence internship have on their future career choice. The items were adapted from other research investigating students' expectations and perceptions of school program planning and industry involvement, future career development.(Chen & Shen, 2012; Lam & Ching, 2007). In section one, participants were asked to recall their expectation before the internship and rated their expectation and perception on the same variables. Each variable was rated on a 5-point Likert scale from (1)very low to (5)very high for expectation and from (1) strongly disagree to (5)strongly agree for perception. The gap scores between the two measures reflect whether the expectation was met or not. The same method was used in (Lam & Ching, 2007)'s study investigating the influence of the gap between expectation and perception on students' overall internship satisfaction. Section three, a single-item instrument developed by (Chen & Shen, 2012) was used to survey students' willingness to pursue a career in hospitality. The item is rated on a scale from (1)strongly disagree to (7)strongly agree.

To test the reliability and clarity of the questionnaire item, the questionnaire was previewed by three educators and five hospitality students who had internship experience before. This preview led to a revision of the items. Six items were removed from the questionnaire for the weak relation with expectation and perception, and four indicators were added, including 'fair internship scores,' 'guidelines for internship performance evaluation,' 'school values students' feedback' and 'school provide different hotels and various positions.' Also, a few terms were rephrased to clarify the proposed measures better. For example, 'interesting and challenging work' was separated to two items 'interesting work' and 'challenging work,' 'introduction to internship programmes made by student consultants' was rephrased to 'detailed and accurate introduction made by instructors'. Since the respondents were Chinese students, the questionnaire was translated into Chinese using the blind translation-back-translation method (Brislin, 1976).

Sampling and data collection

The sampling frame of this study included tourism and hospitality undergraduates in mainland China who were required to take a certain period of internship. A convenience sample was used in this study. The self-administered questionnaires were distributed to students using online questionnaire websites as well as in classroom distribution. The main data were collected over a two-week period in February 2018. A total 364 useable questionnaire out of 400 distributed were obtained (response rate of 91%). Scale reliability analysis was used to test the internal consistency of the constructs, the Cronbach's a is 0.996 and represents high reliability.

Findings and discussion

Table 1 presents the characteristics of respondents. 275 respondents were female and only a quarter was male. Such a finding have mirrored the fact that there are more female students than male students in tourism and hospitality college in mainland China. 229 (62.9%) respondents stated that their major is not their first choice while only 135(37.1%) students chose tourism and hospitality as their first choice. This finding has supported the general phenomenon that nearly 20% of students applied for a change of major after first year study of tourism and hospitality. In terms of program planning, the major intern periods for students were during their third year(253), the second was last year (85) and only 26 students had their internship in their second year. 244 students

Variable	Frequency	%	% Variable Frequ		%
Gender			Internship duration		
Male	89	24.5	Less than 3 months	63	17.3
Female	275	75.5	3-6 months	244	67
			7-12 months	55	15.1

Table 1 Profile of the sample (n=364)

Major			More than 12 months	2	0.5
Tourism	246	67.6			
Hospitality	99	27.2	Hotel brand		
Other	19	5.2	International	281	77.2
			Local	83	22.8
Institutions					
Top class	205	56.3	Hotel stars		
First class	24	6.6	Five stars hotel	292	80.2
Second class	111	30.5	Four stars hotel	60	16.5
Third class	19	5.2	Three stars hotel and below	12	3.3
College	5	1.4			
Other	0	0	Department		
			Food and Beverage	171	47
This major is _			Housekeeping	49	13.5
My first choice	135	37.1	Front office	71	19.5
Not first choice	229	62.9	Concierge	15	4.1
			Recreation	9	2.5
My working hote	el is arranged _		Backstage	32	8.8
by school	290	79.7	Rotation	17	4.7
Not by school	74	20.3			
			Before the internship, I plan	to after gradu	ation
My internship ti	me is		pursue a career in hospitality	66	18.1
Second year	26	7.1	work in other industry	107	29.4
Third year	253	69.5	higher education in tourism	72	19.8
Last year	85	23.4	higher education in other	36	9.9
			Not certain	83	22.8

experienced a 3 to 6 months internship, half of the rest enrolled in a more than seven months internship program. Nearly half of the respondents reported working in food & beverage, more than one-third reported working in front-line departments including housekeeping (49), front office (71), concierge (15), recreation (9), some of the rest reported working in backstage (32) and only 17 respondents reported that they get job rotation during their internship. In addition, this study investigated students' future plan before internship, less than one-fifth planned to pursue a career in hospitality after graduation.

Table 2 represents students' expectations and perceptions of internship. Expectations and perception means, ranking and their gaps are presented in the table. It should be noted that none expectations were exceeded or met, implying that overall the internship did not meet students' expectations. The expectations and perceptions means of all the 27 items differed significantly according to the paired sample t-test (p<0.001). The largest five gap items were 'competitive salary and benefits'(m=-0.77), 'school understands students' needs'(m=-0.69), 'different hotels and various positions provided'(m=-0.69), 'interesting work'(m=-0.68), 'comprehensive training

system'(m=-0.68). This might indicate both school and industry failed to satisfy students in a certain period. The score shows students felt like the school did not listen to them and provide them with plenty choices. This should alert some institutions—internship program planning should consider students' advice. Students are one of the three main stakeholders of an internship program. Since most of the schools in mainland China has added the program into the compulsory courses, institutions should work harder to reduce the negative feelings students have for the program by listening to their needs. Apart from school, industry operators should pay more attention to the training of students, as empirical studies have shown that training has direct influence on job satisfaction(Ko, 2008). In addition, internships could be their first exposure of hospitality, and students shape their first impression during this period. A bad impression might turn them away from hospitality.

#### **Conclusion, implications and limitations**

This research beginned with the questions of what do students in mainland China expect from their internships, what do they expect of the program planning from school and the practical work from industry. The results have shown that student expect 'identify self-strengths and weaknesses through internship', 'appreciation from superior', 'develop technical skills' most from the industry and 'fair internship scores', 'different hotels and various positions provided' and 'school understands students' need' the most from educational institutions, while students scored relatively low on items 'interesting work' and 'opportunity for work in the same company after graduation'. Next, this study answered the questions what do students perceive after completing the internship. Findings have shown that students agreed that they had identified self-strengths and weaknesses through the internship, appreciated by their superior, and the work pressure was accpetable. Besides, they were satisfied with the arrangement of experience sharing with former interns and they believed they get decent internship scores. On the other hand, students were not happy with their allowances, autonomy and their job in a hotel. By computing the gap between

Items	Expectation Means	s.d.	Rank (H TO L)	Perception Means	s.d.	Rank (H TO L)	Gap Means		Rank (H TO L)	T-value
School understands students' need	3.88	1.07	5.00	3.2	1.156	16.00	-0.69	1.17	2	11.229***
Experience sharing with returning intern students	3.82	1.19	13.00	3.38	1.241	5.00	-0.44	1.06	23	7.962***
Organising seminars with industry professionals	3.85	1.10	10.00	3.29	1.216	12.00	-0.57	1.12	10	9.682***
Detailed and accurate introduction made by instructors	3.87	1.13	8.00	3.35	1.151	6.00	-0.52	1.07	14	9.195***
Different hotels and various positions provided	3.91	1.21	3.00	3.23	1.268	13.00	-0.69	1.20	3	10.945***
Mental help	3.66	1.16	19.00	3.16	1.131	18.00	-0.51	1.04	15	9.319***
Faculty support for dispute resolution	3.80	1.24	14.00	3.31	1.227	10.00	-0.49	1.06	16	8.818***
Frequent onsite visits	3.68	1.27	17.00	3.31	1.274	9.00	-0.38	1.11	27	6.482***
School value students' feedback	3.72	1.26	16.00	3.23	1.239	14.00	-0.49	1.08	17	8.712***

Table 2 Student's expectations, perceptions and gap means of internship

Guidelines for internship performance evaluation	3.67	1.27 18.00	3.23	1.252 15.00	-0.44	1.15 24	7.221***
Fair internship scores	4.01	1.09 2.00	3.54	1.126 2.00	-0.47	1.05 19	8.503***
Competitive salary and benefits	3.55	1.32 24.00	2.79	1.205 27.00	-0.77	1.36 1	10.739***
Comprehensive training system	3.82	1.22 12.00	3.15	1.262 19.00	-0.68	1.25 5	10.347***
Interesting work	3.52	1.28 26.00	2.84	1.24 26.00	-0.68	1.28 4	10.153***
Chanllenging work	3.55	1.25 25.00	3.07	1.236 22.00	-0.49	1.21 18	7.671***
Suffient help from superior	3.65	1.15 20.00	3.19	1.187 17.00	-0.46	1.20 20	7.326***
Reasonable superior	3.85	1.07 11.00	3.3	1.198 11.00	-0.55	1.18 11	8.815***
Appraciation from superior	3.89	1.03 4.00	3.43	1.12 3.00	-0.46	1.14 21	7.66***
Autonomy for problem solving	3.59	1.19 23.00	2.97	1.225 24.00	-0.62	1.32 9	8.883***
Acceptable work pressure	3.87	1.06 7.00	3.41	1.129 4.00	-0.46	1.13 22	7.71***
Hotel encourages innovation	3.63	1.18 21.00	3	1.215 23.00	-0.63	1.27 7	9.428***
Develop technical skills	3.88	1.15 6.00	3.34	1.259 8.00	-0.55	1.13 12	9.224***
Good coordination between different deparments	3.76	1.09 15.00	3.13	1.153 20.00	-0.62	1.23 8	9.689***
Apply theory to practice	3.62	1.18 22.00	2.94	1.235 25.00	-0.67	1.37 6	9.368***
Opportunity for work in the same company after graduatio	n 3.52	1.32 27.00	3.1	1.37 21.00	-0.42	1.18 25	6.771***
identify self strenghs and weakness through internship	4.05	1.01 1.00	3.64	1.157 1.00	-0.41	0.96 26	8.222***
Team spirit	3.86	1.09 9.00	3.34	1.116 7.00	-0.52	1.11 13	8.936***

\*\*\*p<0.001

Gap mean = perception mean -expectation mean.

Negative score means expectations were unmet.

expectation and perception, it was frustrating that all the expectations students had been unmet. The variables with largest gaps were 'competitive salary and benefits', 'different hotels and positions provided', 'school understands student's need'. Based on the above findings, it can be seen that overall schools were not quite happy with schools and industry regarding their internship program. Internship programs are unstructured and lack of professional guidelines, this results in students' complain about internship and negative feeling toward the industry, and finally lead to high fallout rates of graduates. To fix this situation, educational institutions and industry should both work on improve the perceptions of students. For universities, 'different hotels and various positions provided', 'school understands students' need', 'Mental help' and 'guidelines for internship performance evaluation' had the lowest perception score, and the former two had the second and third high score of the gap means. Based on the questionnaire, it can be seen that 171 out of 364 students were assigned to food and beverage. Not to mention only 17 students got a job rotation chance during the internship period. Before internship program, schools should collect students' hotel, position preferences and their needs. Then revise the program and choose more than one hotel and negotiate various positions for students. In addition, educators should not ignore the difficulties in the transition from students to trainees. Students probably don't know anything about work in real settings, it is educators' job to give them full preparation, including mental prepare and full introduction to the industry. After the internship, students are looking forward to

a reasonable score of the internship. School should formulate a comprehensive performance evaluation guidelines and make sure it is public. For industry operators, 'interesting work', 'comprehensive training system', 'apply theory to practice', 'autonomy for problems solving' and 'sufficient help from superior' had the relatively low scores. As new to the industry, training means a lot to the students. Operators should set up a comprehensive training system for trainees including before work training and consistent training. Also, it is suggested that hotels arrange an experienced colleague as a mentor for each trainee to enhance close networking between students and industry operators(Lam & Ching, 2007). Besides, it is also vital for industry professionals to communicate with students on campus before they enrolled in internships. By sharing his or her career path and job duties, students can shape the first impression of hospitality, and this may narrow their gaps down.

To sample students in different institutions, this study adopted the random sampling to survey tourism and hospitality students who had enrolled in the internship program. Although the gaps between expectations and perceptions are significant, further research should expand the scope of factors to provide a more comprehensive understanding of what do students expect by in-depth interview and qualitative analysis. Moreover, the measurement of expectations was based on students' memory, it is suggested that further research should take the longitudinal approach to reduce the potential bias. Besides, the time constraints only allow the researcher to focus on students' expectations and perceptions of the internship program, further research should identify the relationship among the gaps of expectations and perceptions, internship satisfaction, intention to pursue a career in hospitality.

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# HOSPITALITY AND THE GUEST BEHAVIOR INTENTION

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## Abstract

The aim of this research is investigating the hospitability and their effects on service perception, compound by service quality, performance, customer satisfaction, perceived value and outcome behaviors. A conceptual framework was developed based on previous literature. A sample of 441 hotel guests were selected to examine the relationships, with the use of structural equation modeling using PLS-SEM. As a result, all hypotheses were confirmed, and we could prove that hospitability had an important contribution to service quality, service performance and in its turn, service quality had a positive and significant relationship with value perception and customer satisfaction.

Keywords: Hospitality, Hospitableness, Guest behavior, Service quality

### Introduction

In the marketing literature is well known and discussed the role that customer orientation has for service companies (Brady & Cronin Jr, 2001; Deshpandé, Farley, & Webster Jr, 1993) and the outcomes that this orientation has on the overall performance of the organization, but for hospitality organizations, the equivalent theory for customer orientation is the hospitality theory, that assumes a particular orientation towards the guest, providing all the necessities like lodging, food and fun.

The studies on the relationships between perceived quality, performance, satisfaction, perceived value and behavioral intentions in the academic literature in the hospitality and marketing area considers only aspects of consumer behavior and there is no research's that refer to hospitality theories such as those developed by scholars like as Lashley (2000, 2008, 2015), Telfer (1995,

2000), Brotherton (1999) and Lugosi (2008) among others. This gap evidences the need to include hospitality theories in the mainstream marketing.

Thus, this research seeks to incorporate the theoretical discussion about hospitality to the tradicional constructs of consumer behavior specifically within the hospitality industry. Therefore, the research problem evidenced here can be stated as: What is the relationship and impact between hospitality, performance, quality of service, satisfaction, value and behavioral intentions of a hotel guest after his stay?

This study is important for marketing managers within the hospitality industry since it adds a new point of view allowing managers to create new marketing strategies considering what was discussed in this work. Academically the importance lies in the consideration and inclusion of a new theoretical perspective for both marketing and hospitality. It is also necessary to emphasize that this study hopes to contribute and to advance in the discussion and the theoretical application initiated by classic authors within the literature of hospitality.

## Literature review

## Hospitality

Hospitality is a multidimensional concept, but pertinent to human relations and that occurs between a host or service provider and a guest or customer receiving this service (Pitt-Rivers, 2012), one can also understand hospitality by two strands, the first as a social phenomenon and the second as an activity, but both have in common four basic duties: to receive, to host, to feed and to entertain (Lashley, 2000). Starting from these basic duties hospitality is constituted as a gift offered to a stranger who arrives, and therefore, manages to turn strangers into relatives, enemies into friends, friends into best friends. In this sense, the question focuses on how to insert someone who part of a community or group is not, making it an integral element of the relationship process (Pitt-Rivers, 2012). The foundation of society guides the behavior of individuals in the aspects of hospitality, fosters relationships and broadens ties (Selwyn, 2001).

Currently, the studies on hospitality are divided into two philosophical lines denominated French School and British School and each one with its contexts, characteristics, and main authors. The French School preaches that hospitality should take place through free, unpretentious action and without waiting for reward: the gift, but it generates reciprocity, and it is in this reciprocity that the relationship is perpetuated, giving, receiving and rewarding. This school brings the tradition of anthropology, philosophy, and sociology to the debate and has as its main thinkers Mauss (2000), (Gotman, 2001), Derrida (1998, 1999, 2002), Schérer (1997) among others. For the British School, hospitality does not rule out the principle of host-host relations, but advances in the debate when it adds the commercial or business context and its main thinkers are Lashley (2000), Brotherton (1999); Brotherton and Wood (2010); Lugosi (2008); Lugosi, Lynch, and Morrison (2009); Lynch, Molz, Mcintosh, Lugosi, and Lashley (2011), Telfer (1995, 2000), among others. Table 1 summarizes each of these schools.

School	Context	Characteristics	Main authors
French	Social/private hospitality	Give, receive and	Derrida (1999); Gotman (2001); Mauss (2000);
		reciprocate	Schérer (1997)
British	Commercial hospitality	Agreement between host and guest	Brothherton and Wood (2000); Lashley, Lynch, and Morrison (2007); Lugosi (2008); Lynch, Molz, Mcintosh, Lugosi, and Lashley (2011); O'Gorman (2007); Telfer (1995, 2000)

**Table 1** Main differences between the French and British hospitality schools

Lashley (2000) proposed a model where hospitality appears in three distinct domains being social, private and commercial, and it is at the intersection of the three domains that management of the hospitality experience occurs that focuses on host experience and creation of memorable moments. Hospitality applied in commercial activities is gradually assumed to be genuine, not in the sense that it is trained and even conveyed in procedural manuals, but as competence brought by the individuals who act as hosts. Thus, it is important to elucidate that hospitality occurs at the organizational level, since it is the values, guidelines and culture of the organization and the people who constitute it and the hospitableness occurs on the personal level and in the direct relationships between human beings, since they are personality traits people or hosts that deal with guests (Lashley, 2000; Telfer, 1995, 2000).

## Service quality

The best definition of quality service is that given by Grönroos (1984), where the service quality is the comparison between the expected result and the perceived result by the consumer. From their perspective, the expected result is the set of pre-service evaluations and are based on the preliminary information received, and this information arose from previous experiences, feedback from other consumers, preliminary report from the product suppliers. Therefore the perceived result is the set of evaluations of the performance of the service achieved after the execution of the service itself (Zeithaml, 1981).

From these definitions, Parasuraman, Zeithaml, and Berry (1985, 1988) developed the SERVQUAL scale, one of the most used scales to measure the service quality, and it is based on the gap between the expected service and the performed service. From the SERVQUAL scale, several other scales were developed, concurrent scales like the SERVPERF that measures the performance of the service (Cronin & Taylor, 1992), or derived scales such as DINNERSERV, which measures the quality of restaurant services (Stevens, Knutson, & Patton, 1995), or the SERVHOSP scale, which measures the quality of hospital services or SERVHOSP, which measures the quality of hospital services.

The services quality is a multidimensional construct composed by several dimensions that can vary according to the theories used to justify the construct, for example, Parasuraman et al. (1985) employed five dimensions: tangibility, reliability, readiness, security, and empathy. Other scales

use other types of dimensions or even combinations that allow analyzing specific situations within each research conducted.

In the hospitality industry, the measurement perceived quality by the guest is not a new phenomenon, Gronroos (1984), used the hotel industry to develop the first notions of service quality. Because one of the best explanations for the performance of service happens with the provision of lodging, food, and entertainment, a basic trinomial for hospitality theories. From this point, several researchers carried out works within the hotel industry with the perspective of service quality. For example Knutson, Stevens, Wullaert, Patton, and Yokoyama (1990), that have developed from the SERVQUAL scale the LODGSERV scale to measure the expectation of the clients about to the experience in a hotel. The work of Saleh e Ryan (1991) who used the SERVQUAL scale to analyze the perceived quality within the hospitality industry and as a result pointed to the existence of gaps between the perception of the clients and the hotel managers views.

More recently, the work that deals with perceived quality within hospitality deals with analyzes that combine the measurement of perceived quality and other constructs that allow the explanation of several phenomena within the combined studies of marketing and hospitality. Examples of these research's: Chen and Chen (2013) investigated the relationship between quality perception and corporate image in the hotel relationship marketing in Twain; as a result, they pointed out that a relationship orientation positively affected the judgement of the clients regarding the corporate image and the perceived quality. Or yet, the research of Lo, Wu, and Tsai (2015) that investigated the relationship of quality perception in hotels and spas in southern China and researchers found that of service quality was essential to increase positive experiences of hotel and spa guests.

## Perceived value

Value is a construct that has several definitions in various areas of study within management and other disciplines. Even in the marketing area and more specifically in the studies on consumer behavior, the definition of value can assume several connotations, for example, in the first qualitative studies conducted by Zeithaml (1988), value assumed to be forms such as: product price or, which does more with less money, or still, value is what the consumer pays for what you get. In this way, the author defined perceived value as being the notion where the general evaluation of the consumer of the usefulness of a product based on the perceptions about what is received (good or service) and what is given in exchange. This discussion is further advanced when Porter (1990) states that value is related to a perception of good or service to the buyer concerning product quality, unique features or after-sales service.

Still, within this discussion, Gallarza and Saura (2006) based on an extensive review of the literature on value and value perception, point out that this concept evolves from two dimensions, economic and psychological. The economic dimension is in line with that defined by Zeithaml (1988) and Porter (1990). The psychological dimension, on the other hand, posits that the choice is related to emotional rather than cognitive and rational aspects. More recent studies show that perception of value is defined as a multidimensional construct composed of both the economic

dimension and the psychological dimension (De Ruyter, Wetzels, & Bloemer, 1998; Grönroos, 1984).

## Satisfaction

According to Churchill Jr and Surprenant (1982), the concept of customer satisfaction is the primary result of an organization's marketing activities and serves as a link to processes that lead the consumer purchase decision, repeat purchase, loyalty, endorsement, among other behavioral intentions.

Satisfaction is defined as a result of the comparison by the consumer of the rewards and costs of acquiring a good or service about to the anticipated consequences of such acquisition (Churchill Jr & Surprenant, 1982). Moreover, E. W. Anderson, Fornell, and Lehmann (1994) point to two distinct types of conceptualization for satisfaction; cumulative and transaction-specific. Cumulative satisfaction, are all assessments carried out based on all consumer shopping and consumption experiences; transaction-specific satisfaction is the assessment resulting from the purchase and consumption experience of an occasional and specific purchase.

The literature on consumer satisfaction is vast, and various theories have been created to explain consumer satisfaction, but what all these theories have in common is that they are based on cognitive psychology. Overall there are nine theories that explain consumer satisfaction: expectancy disconfirmation; assimilation or cognitive dissonance; contrast; assimilation-contrast; equity; attribution; comparison-level; generalized negativity; and value-precept (Pizam & Ellis, 1999).

Within the hospitality industry, several surveys have been done on consumer satisfaction, the most recent of which include: customer satisfaction in restaurants (Kim, 2011; Lin & Mattila, 2010); customer satisfaction in destinations (Abubakar & Mavondo, 2014); customer satisfaction in hotel (Lee, Sun, Wu, & Xiao, 2018; Liat, Mansori, & Huei, 2014).

## Behavioral intentions

In the literature could be found three theoretical models on behavioral intentions, TRA or Theory of Reasoned Action from Ajzen and Fishbein (1980), TPB or Theory of Planned Behavior from Ajzen (1985), and the MCM model of Miniard and Cohen (1983). In the Theory of Reasoned Action, behavioral intention is a direct antecedent of behavior, and behavioral intention is determined by the individual's attitude in performing the behavior and the perception of what others think about the behavior, in this case, subjective norms. The Theory of Planned Behavior is an extension of the TRA where a nonvolitional component is added to predict behavior. And in the MCM model of Miniard and Cohen the informational influences should reflect only the personal attitudes of an individual and should not be related to the normative beliefs of the behavior, so this model points out that the information of others serves as an important sources of information about the environment of this individual (Netemeyer, Andrews, & Durvasula, 1993).

In a more straightforward, behavioral intentions are the desirable behaviors that the guest in advance shows they will have in the future, in this sense Zeithaml, Berry, and Parasuraman (1996) developed a scale with 5 dimensions that point out the behavioral intentions that a consumer could have: loyalty to company, propensity to switch, willingness to pay more, external response to a problem, and internal response to a problem. These five dimensions have become the basis for various studies of behavioral intention, including guests in the hospitality industry.

In the hospitality industry several studies have been made using behavioral intention, for example, Mansour and Ariffin (2017) discussed the local and commercial hospitality on behavioral intention in cultural heritage tourism, or the research from Teng, Lu, and Huang (2018) who deals with behavioral intention towards green hotels.

Research framework and hypothesis

According to service theories, hotel services is as high-contact services, so the performance and hospitality of a hotel are essential components for the guest's perception of the service quality, according to authors such as Oh (1999), Teng and Barrows (2009), and Blain and Lashley (2014), perception of service performance and hospitality are directly linked to the perception of service quality, so the following research hypotheses are proposed:

H1: Hospitality has a positive and significant relationship with service quality

H2: Service performance has a positive and significant relationship with service quality

Previous research has already pointed out that the perceived quality is antecedent of the perception of value and the satisfaction of the guest and that also the perception of value has influence in the satisfaction of the guest (Oh, 1999). Based on what has been discussed previously in the literature review, the following hypotheses are formulated.

H3: Service quality has a positive and significant relationship with perceived value

H4: Service quality has a positive and significant relationship with guest satisfaction

H5: Perceived value has a positive and significant relationship with guest satisfaction

Behavioral intention was defined as the desirable behaviors that the guest in advance shows they will have in the future, thus how attitudes are formed according, Fishbein and Ajzen (1975), by the continuous aggregation of beliefs and evaluations, we can consider that service quality, satisfaction and value are attitudes and consequently have relationship with behavioral intentions. Therefore, we would state the following hypotheses.

H6: Service quality has a positive and significant relationship with behavioral intention

H7: Guest satisfaction has a positive and significant relationship with behavioral intention

H8: Perceived value has a positive and significant relationship with behavioral intention

## Methodology

## Measures and survey questionnaire

The measurement scales were developed based on the conceptual model from the reviewed literature. The items were either borrowed or slightly modified from previous research, and all items were measured using a Likert scale, anchored from 1 (strongly disagree) to 7 (strongly agree). The scale for hospitableness was developed by Blain and Lashley (2014), and consists of ten items. The scale for satisfaction was developed by Cronin, Brady, and Hult (2000), and consists of three items. The scale for value was developed by Cronin, Brady, Brand, Hightower Jr, and Shemwell (1997), and consist of three items. The scale for service quality scale was developed by Hightower Jr, Brady, and Baker (2002), and consists of three items. The scale for service performance was developed by Cronin et al. (2000), and consist of four items. The scale for service for behavioral intention was developed by Zeithaml et al. (1996), and Cronin et al. (2000), and consist of four items.

The final portion of the survey elicited respondents' socio-demographic information (e.g., age, gender, education level, organization position, firm size, and firm age). The survey questionnaire was tested for content validity by hospitality and marketing academics. The developed questionnaire, originally in English, was translated into Brazilian Portuguese using a back-to-back translation method, after that, a pretest was conducted with 30 graduate students to face validation and minor corrections.

## Data collection and sample profile

The data were collected between November and December 2017, through an electronic questionnaire hosted by a public servant. The Google Forms tool was used, and a link directed to the survey was sent by e-mail to more than 10,000 contacts from a list of professionals in the São Paulo City in Brazil. There was a return of 441 valid respondents.

The sample of the 441 respondents had 65.3% (n = 288) of males and 34.7% (n = 153) of females. The majority have an undergraduate level of education 82.3% (n=363) and at the graduate level was 12.2% (n=54). The main reason for the trip was leisure and vacation 74.1% (n=327) and on business 25.9% (n=114). When asked about the hotel's classification, the respondents stated that: 36.1% (n=159) don't know or the hotel don't have any stars, 27.9% (n=123) the hotel has four stars and 21.8% (n=96) the hotel has three stars and only 9.5% (n=42) stated that the hotel has five stars.

## Data analysis plan

To analyze the proposed model in Fig. 1, we used Structural Equation Modeling (SEM) with Partial Least Square (PLS). As recommended by the literature (Kline, 2011), the assumptions for

the application of this regressive technique were verified in advance. The absence of multicollinearity was verified by calculating the Variance Inflation Factor (VIF). Even though there is no ideal value for the test, there is a consensus that VIF's smaller than 10 indicate the absence of linear relationships between the independent variables (Hair, Anderson, Babin, & Black, 2010). The homoscedasticity was verified by Levene's test (Hair et al., 2010) and, finally, the normality in the distribution of the dependent variables of the model was verified by means of the Kolmogorov-Smirnov test, which is the alternative test to the test of W of Shapiro for samples larger than 30 observations (Hair et al., 2010).

After the preliminary tests, the SEM (Structural Equation Modeling) was performed, following the methodology proposed by Chin and Newsted (1999), with partial least squares estimation (PLS-PM - Partial Least Square - Path modeling) using SmartPLS software 3 (Ringle, Wende, & Will, 2005), and the recommendations of J. C. Anderson and Gerbing (1988), with the analysis performed in two phases. In the first phase, the measurement model was analyzed, through the verification of the convergent and discriminant validities, and in the second, the analysis of the structural model was performed.

For the convergent validity, it was sought to identify upper loads ( $\lambda$ ) at 0.60 between the items, and the construct measured and for convergent validity, the square root of the AVE (Average Variance Extracted) of the construct was required to be greater than the correlation with the other constructs of the model. In this phase, the internal consistency of the scale was also verified by Cronbach's Alpha (higher than 0.60), composite reliability (greater than 0.70), and AVE (greater than 0.50), as recommended by Hair, Ringle, and Sarstedt (2011).

Different from covariance base SEM, the PLS do not optimize a global function; therefore, there are no indices of adjustment of the models like RMSEA, CF, NFI among others identified through software such as LISREL, AMOS or EQS. On the other hand, Tenenhuaus et al. (2005) recommended the verification of a general adequacy index of the GoF (Goodness of Fit) model, obtained by the geometric mean between the mean R2 (structural model adequacy) and the mean AVE (adequacy of the measurement model). Wetzels, Odekerken-Schröder, and Oppen (2009) suggest that a minimum GoF of 0.36 is adequate for studies in the social and behavioral sciences.

## Analysis

The convergent validity was observed by the presented loads. In the model, where all loads were used, the loads  $\lambda$  range from 0.786 ( $\lambda$ H09) to 0.950 ( $\lambda$ V3). All model adjustment indicators were satisfactory. Likewise, the discriminant validity of the latent variables was verified when the square roots of each variable were found to be superior to the correlation between them and the other latent variables of the models, as demonstrated in Table 2.

	GoF = 0.77									
Variables	α	ρ	CR	AVE	BI	Н	S	SP	SQ	PV
<b>Behavioral Intention (BI)</b>	0.852	0.852	0.931	0.871	0.933					
Hospitality (H)	0.939	0.941	0.950	0.702	0.755	0.838				
Satisfaction (S)	0.922	0.922	0.951	0.865	0.841	0.784	0.930			
Service Performance (SP)	0.884	0.896	0.920	0.742	0.816	0.892	0.814	0.862		
Service Quality (SQ)	0.894	0.896	0.934	0.825	0.847	0.838	0.843	0.813	0.908	
Perceived Value (PV)	0.932	0.932	0.956	0.880	0.810	0.771	0.857	0.771	0.830	0.938
Optimal values	> 0.6		> 0.7	> 0.5						

**Table 2** Assessment of the Measurement Model and Analysis of the Model Discriminant Validity

**Note**:  $\alpha$  = Cronbach's Alpha; CR = Composite Reliability; AVE = Average Variance Extracted; The diagonal presents the square roots of the AVEs of the constructs. All correlations were significant at 1%

The standard regression coefficients in the measurement model, show how each observed variable affect the latent constructs when these increases one unit (Bollen & Lennox, 1991). Behavioral Intention has the higher regression coefficient (0.412) with the variable Service quality, followed by the regression coefficient (0.348) with the variable Satisfaction, and a regression coefficient (0.169) with the variable Value. So, when the variable Behavioral Intention increase one unit the significant contribution coming from Service quality, followed by Value.

The determination coefficients ( $R^2$ ) of dependents variables: eWOM, Attitude, Trust, Intention to Buy and Risk. These coefficients indicate the percentage of variance of the dependent variable, that is explained by independents variables. The  $R^2$  values are shown inside the circles. In the case of the variable Behavioral Intention, the value of the coefficient of determination of the variance ( $R^2$ ) obtained was 77.9%. In the case of the variable Satisfaction, the value of the coefficient of determination of the variance ( $R^2$ ) obtained was 79.1%, and for the variable Value, the value of the coefficient of determination of the variable Satisfaction of the variable Value, the value of the coefficient of determination of the variance ( $R^2$ ) obtained was 68.9%. In the case of the variable Service quality, the value of the coefficient of determination of the variable 72.3%.

For the validation of structural model, the bootstrapping algorithm was used from SmartPLS 2.0M3 software (Ringle et al., 2005), with 5,000 parameters for the number of cases and samples. This procedure has the objective to accomplish 5,000 simulations with the data set to get the t-test distribution. The t-test results depend on the number of questionnaires answered. For a sample of 441 respondents (degree of freedom), the distribution value of t-test is 1.96 for a confidence interval of 95% and 0.05 significances. The t-test serves to test the hypothesis of correlation/regression coefficients be equal zero. If the test result of t-test is equal or higher than 1,96, than the hypothesis is rejected, that is, the correlation is significant. The Table 3, shows analyses results conducted with the SmartPLS 3 to test the hypothesis made.

Hypotheses	Relationships	β	t-test	sig	p- values
$H_1(A)$	Hospitableness $\rightarrow$ Service Quality	0.533	7.547	***	0.000
$H_2(A)$	Service Performance $\rightarrow$ Service Quality	0.319	4.064	***	0.000
H <sub>3</sub> (A)	Service Quality $\rightarrow$ Value	0.830	32.786	***	0.000
H4 (A)	Service Quality $\rightarrow$ Satisfaction	0.423	6.290	***	0.000
$H_{5}(A)$	Value $\rightarrow$ Satisfaction	0.506	7.690	***	0.000
$H_{6}(A)$	Service Quality $\rightarrow$ Behavioral Intention	0.412	5.476	***	0.000
H <sub>7</sub> (A)	Satisfaction $\rightarrow$ Behavioral Intention	0.348	3.955	***	0.000
$H_8(A)$	Value $\rightarrow$ Behavioral Intention	0.169	2.031	*	0.042

Table 3 Path Coefficients of Tested Model	Table 3	Path	Coefficients	of Tested	Model
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Note: (A) = hypothesis accepted; (R) = hypothesis rejected; n.s. = not significant; \* p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001

The results indicate that Hospitability and Service Performance are both significantly and positively related with Service Quality ( $\beta$ =0.533, p<0.001, and  $\beta$ =0.319, p<0.001), supporting H<sub>1</sub> and H<sub>2</sub>. The relationship between Service Quality is significantly and positively related with Perceived Value ( $\beta$ =0.830, p<0.001), Satisfaction ( $\beta$ =0.423, p<0.001), and Behavioral Intention ( $\beta$ =0.412, p<0.001), thus supporting H<sub>3</sub>, H<sub>4</sub> and H<sub>6</sub>. The link between Value and Satisfaction ( $\beta$ =0.506, p<0.001), therefore supporting H<sub>5</sub>, and Value and Behavioral Intention ( $\beta$ =0.169, p<0.001), hence supporting H<sub>8</sub>. Finally, the relationship between Satisfaction and Behavioral Intention ( $\beta$ =0.348, p<0.001) was positive and significantly supporting H<sub>7</sub>.

# **Discussion and conclusions**

Retrieving the initial objective of this research, which was to investigate the relationship and impact between hospitality, performance, service quality, satisfaction, value and behavioral intentions of a guest hotel after its stay, a quantitative research was conducted using structural equations model through the software SmartPLS 3 to analyze the relationships between the constructs of the proposed model. As a result, some insights emerge and give opportunities for exciting discussions.

Teng and Barrows (2009) point out in their work the importance of the interaction of hotel staff to the perception of service quality, as did Lashley (2008) in his work when he explains that staff performance contributes to the perception of quality and consequent guest satisfaction. The data worked here point in the same direction of these findings, although the quality of the service is consequent of both the performance and the hospitableness the most significant contribution perceived by the guest comes from the hospitableness that are the personality traits (Telfer, 1995, 2000) and that is evidenced in repeated iterations between the host and the guest. Blain and Lashley (2014),

The value perception by the guest is highly related to the quality perception of the services offered by the host being visible by the results obtained in the structural model, this finding confirms what several researchers have found in similar studies (Oh, 1999). In the same sense, it is perceived that

the value is one of the antecedents of satisfaction together with the perceived quality and that still has a strong relationship with this and here, value was more related to the economic and rational dimensions by making the perception of the guest perform the assessment based on direct losses and gains (Oh, 1999; Zeithaml, 1988)

This work contributes to the marketing literature in the field of hospitality by including and examining in a theoretical model the relationships between constructs such as perceived service quality, perceived service value, performance, customer satisfaction, and behavioral intentions including the theories of hospitality. The main contribution of this work is that we can include hospitality theories in studies related to marketing and specifically to studies on guest behavior on hospitality industry. Managerially, the contribution of this work consists of presenting to the marketing managers the need to consider the hospitaleness that are traits of personalities in their recruitment strategies, so that their respective organizations have a competitive advantage over competitors.

This research has several limitations, and therefore it is possible to present some suggestions for future studies that contribute to the theoretical development of the area. The first limitation and recommendation referred to the fact that like all empirical and quantitative research, this research represents a snapshot in time. A survey that considers a longitudinal evaluation would be desirable. A second limitation refers to the fact that the research was conducted in the context of hospitality. Studies that examine the environments of restaurants, places, casinos, theaters, nightclubs, or other types within the hospitality industry would be highly recommended and desirable.

Another limitation relies on the fact that satisfaction measurement was limited to an economic dimension and did not consider the affective dimension as discussed in the literature review by authors such as E. W. Anderson et al. (1994), it would be interesting to have a study in which the guest satisfaction construct was explored in greater depth and scope considering that there are nine theories that explain consumer satisfaction. Another limitation of this research concerns the type of sample that was limited to the Brazilian context and makes it difficult to generalize to other cultures and countries. Therefore, it would be desirable to replicate this study in other regions such as USA, Europe, Middle East or Asia.

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# HOW DOES CORPORATE SOCIAL RESPONSIBILITY (CSR) AFFECT TOURISM EMPLOYEE'S PERCEPTION OF EMPLOYER BRAND? THE ROLE OF ENVIRONMENTAL CONCERN

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# Abstract

Previous research indicates that employee brand is exclusively designed for current and potential employees and is beneficial to strategic human resource sustainability. In addition, increasing environmental awareness is the trend during these years because of global climate and environmental irregularity. It has shown the urgent advocate research on environmental friendly issues, especially the most important topic, corporate social responsibility. Therefore, the purpose of this study is to explore the impact of tourism businesses' corporate social responsibility on employees' perceptions of employers' brand. To explore the related dimensions of employer brand, this study adopts three specific dimensions: (a) diversity value (b) social value (c) reputation value from Berthon's et al. (2005) and Schlager's et al. (2011). Also, this study adopts two dimensions of corporate social responsibility: (a) CSR to society and (b) CSR to employee from Turkers' (2009) study. The second purpose is to investigate whether environmental concern has a significant moderating effect for the relationship between corporate social responsibility and employer brand. This study employs an online self-administered questionnaire and a hard-copy survey to collect data. Using convenience sampling approach, a total of 248 usable responses were collected from tourism employee with legal professional licenses, including tour managers and tour guides in Taiwan. Simple linear regression and hierarchical regression analysis were adopted to test the hypotheses of the study. The finding of the study reveals that tourism businesses' corporate social responsibility has a significant positive effect on employees' perception of employers' brand. It implicated that tourism businesses' level of corporate social responsibility can positively influence how employees perceive their employer's brand. Another finding is that environmental concern plays as a significant moderating factor strengthening the positive relationship between tourism businesses' corporate social responsibility to society and employer brand on diversity value, social value, and reputation value dimension, respectively. It proves that those businesses with reputable corporate social responsibility practices to the society can build up a more impressive image on those employees with higher environmental concern and therefore will be more likely to view employer brand as positive. From this finding, tourism agents should emphasize more on their human resource management to encourage and execute more corporate social responsibility practices to the society so as to build clear and unique employer brand image

on current/potential employees' mind. The result of the study provides important implications for the tourism firms in their employment, selection, recruitment, and training strategies.

*Key Words: employer brand, tourism employee, corporate social responsibility, environmental concern* 

# Introduction

# Employer brand

To recruit more and more "right" employer for organization, brands image has become an organization's most precious assets. Thus, the management of brand is a core issue in all kinds of corporates. Through great efforts and development projects on branding management, branding can be regarded as an important issue on HR management. This approach of application branding regulation has been termed "employer branding" in HR management field (Öster & Jonze, 2013).

Nowadays, more corporates are adopting the image of employer branding to recruit and attract potential employees who are involved in the culture and the strategy of the organization. Employer branding was defined by Sullivan (2004) as "a targeted, long-term strategy to manage the awareness and perceptions of employees, potential employees, and related stakeholders with regards to a particular firm" (p.89). There has been an increasing research interest on "employer brand" issue over the past twenty years. In the tourism industry, the concept of employer brand has also been emphasized. The worldwide tourism sector is approximately one tenth of global employees and capital formation. Tourism is a type of service industry delivered by individual, which entails providing customers with satisfying experience, transportation, convenience and entertainment (Henderson, 2007). Thus, the tourism industry is regarded as a human resource-centric industry (Bharwani & Butt, 2012). Tourism can only flourish if the industry can employ qualified staff.

Ambler and Barrow's (1996) research examine employer brand and identify five values of employer brand attractiveness, which included interest value, social value, development value, application value, and economic value. These five values are related to job information (Mulder & Collins, 2007). Built on these five values, Schlager, Bodderas, Maas and Cachelin (2011) replaced interest value and application value with diversity value and reputation value to provide a comprehensive picture of employer branding. From these previous studies, this research adopts three dimensions: (a) diversity value (b) social value (c) reputation value, which are more related to the forward-thinking employer with innovative service and high reputation to investigate employer brand of the tourism industry.

# Corporate social responsibility in tourism industry

The image of sustainable development has become the forefront of agendas on governmental policy over the past 20 years. As it has been concluded by related debase and discussions, the issue concerning sustainable development should be adopted as the core key to protect ecosystems and biodiversity, to limit growth control pollution and to make better life quality of creatures on Earth (Dodds & Joppe, 2005). In recent issues and discussions concerning tourism management and

governance, there has been a significant change. When sustainable development keeps the predominant paradigm, since the Cape Town Declaration of 2002 many commentators have demonstrated to the necessity for responsible approach of production and attitude of consumption (Frey & George, 2010; Mowforth, Charlton, & Munt, 2008; Spenceley, 2008). Therefore, everyone including organizers, managers, employees, administrators, regulators and especially the consumers should take immediate action themselves and reduce their reliance on others to deliver positive changes on their daily behaviors. Corporate social responsibility has been considered a compelling approach on organizational acknowledgment in a neo-liberal world (Harvey, 2005). To put it another way, the concept of corporate social responsibility has been put into practice to decrease the impact of over-consumption, which ensured that the principles of sustainable development are encapsulated into business administration operations (Plume, 2009).

As for tourism industry, it has been put forth as an approach of gaining benefits and providing for small and medium size organizations, especially in those low-income countries. Traditionally, it has been regarded as a relatively green industry, due to its relation to transport and land development industries. Soft tourism, green tourism and ecotourism are used to signify environmentally friendly tourism but have different focuses and meanings (Font & Tribe, 2001). For instance, the Canadian Environmental Advisory Council has annotated ecotourism as a broadening nature travel experience that furnishes to protection of the ecosystem (Scace, Grifone, & Usher, 1992). However, not all tourism businesses strive to achieve the balance between making profit and fulfilling corporate social responsibility. Since corporate social responsibility might play a crucial role for constructing a business' brand, this concept might be importantly associated with a business' employee recruitment and retention. Consequently, it is very urgent to discuss further issue on how tourism businesses' corporate social responsibility affects employees' perception of their employers' brand. This study will adopts Turkers' (2009) conceptualization on business corporate social responsibility, which are two dimensions including corporate social responsibility to society, natural environment, and future generations as first factor; corporate social responsibility to employees as second factor.

In addition, researchers have proven that corporate social responsibility and employer branding are positively, significantly and strongly related at both global and factor levels (Suliman & Al-Khatib, 2014). More and more corporates have begun involving these images into their corporate brands, which represent a promising start (Hatch & Mirvis, 2010). These findings also indicated that the essential role of corporate social responsibility in establishing brand image and identity while the public, customers and governmental regulatory organizations urged that firms should take actions in environmental issues regarding health and safety, resource conservation issue of water and energy. Consequently, numerous businesses including tourism industry today have smartly chosen to conduct their corporate social responsibility initiatives into their employer branding strategies to make how they are presented as a socially active and creative organization better.

# The definition and domain of Corporate Social Responsibility

There were a lot of academic statements about corporate society responsibility. The first definition of corporate society responsibility was proposed by Howard R. Bowen, in his book, social responsibility of the businessman (Nguyen, 2014; Eduardo, 2016). According to Maon, Swean and

Lindergreen (2015), the concept of corporate social responsibility has to be contextualized. In a textbook regarding corporate strategy, Johnson and Scholes (2002, p.247) stated, "Corporate social responsibility is concerned with the ways in which an organization exceeds the minimum obligations to stakeholders specified through regulation and corporate governance". The World Business Council has termed it as the commitment of business to contribute sustainable economic development work with employees, their families, the local community and society at large to ameliorate their quality of life (World Business Council, 2005). Besides, the Australian Standards Association not only proposed a standard for corporate social responsibility, bust also referred corporate society responsibility as "a mechanism to voluntary amalgamate social and environmental cares into their operations and their interactions with their stakeholders, which are over and above the entities' legal responsibilities (Banerjee, 2008, p.16). Besides, there is also an expectation of sustainable activities with exceeding a firm's legal responsibilities.Research on corporate social responsibility is not state-of-the-art; in fact, it has been found that corporate social responsibility on business field and strategic management has positive, negative and neutral impact on business performance over 10 years (Orlitzky, Schmidt, & Rynes, 2006). Some studies have reported that corporate social responsibility promotes and improves the financial performance of organizations (Nguyen, 2014; Wang, Dou, & Jia, 2015). Most interestingly, Lindgreen and Swaen's study (2010) identified five major mainstreams of corporate social responsibility researches. They also classified the third section regarding the basic academic trends and research on corporate social responsibility in travel, tourism and hospitality organizations.

Hospitality industry is a crucial service industry. For instance, Hilton, Hyatt, Wynn, Carnival are numerous leading family controlled corporates (Getz, Carlsen, & Morrison, 2004). Corporate social responsibility in the hospitality industry has been studied in various contexts and issues including customer satisfaction in hotels and restaurants, and financial goals of casinos and hotels (Lee & Hoe, 2009; Lee & Park, 2009). This concept is a high profile idea in business operation and in tourism praxis, with several major corporations expressing their preference towards greater self-regulation. In previous studies of inspecting tourism studies of corporate social responsibility, it has demonstrated that there have been some notable advances in three broad avenues of academic enquiry, namely: implementation; the (narrow) business case; and stakeholder involvement, especially at the destination level (Coles, Fenclova, & Dinan, 2013). As a result, these findings suggest very strongly that tourism research on corporate social responsibility is a critical research topic.

Although the merits of corporate social responsibility have been endorsed by many tourism associations, intermediaries, trade corporates, lobby groups and nongovernmental organizations (NGOs), there is still room for researchers to put more emphasis on the corporate social responsibility and employer brand, which represents the further discussions concerning the strategies that based on the perception of human resources department adopt in recruitment and retention(Dodds & Joppe, 2005; Holcomb, Upchurch, & Okumus, 2007; Mowforth, Charlton & Munt, 2008; Tepelus, 2008a; Dodds & Kuehnel, 2010;Van de Mosselaer, van der Duim, & van Wijk, 2012).

The definition and domain of Employer Brand

Bethona, Ewingb and Lian (2005) conceptualize employer branding as employers' attractiveness to current and potential employees, indicating that employer branding allows a potential employee see envisioned benefits when working for a certain organization. They adopted three dimensions from the study of Ambler and Barrow (1996) and extended into five factors. These five dimensions of employer brand included interest value, social value, development value, application value and economic dimension. The current study employs the operational definition of employer brand by Bethona, Ewingb and Lian (2005) and adopts three of the five dimensions: (a) development value dimension (b) social value dimension (c) reputation value dimension to examine the employer brand in the context of tourism industry. Through this study, the reason why we need to advocate "employer brand in business world is that "talents" is regarded as a primary competitive enabler of a business. Increasingly, organizations are competing to attract highly professional HR in various areas (Mahroum, 2000). Hence, "talent solution" is vital for company to win the global "talent war" and retain millennial employees, which relies on differentiating the position of competitor (Bhattacharya, Sen, & Korschun, 2008; Beechler & Woodward, 2009). Increasingly, the researchers have devoted a lot of effort in how organization response to such a "talent war". Therefore, it is important for practitioners and managers to identify important predictors of employer brand and improve their interaction and relationship with potential and current employers. This study proposes an organization's corporate social responsibility practices will positively influence the way employees perceive this organization's image and brand. Consequently, following hypothesis developed: the are H1: Tourism businesses' corporate social responsibility (a) to society has a significantly positive effect on employees' perception of employers' brand on (a) diversity value (b) social value (c) reputation value.

H2: Tourism businesses' corporate social responsibility (b) to employee has a significantly positive effect on employees' perception of employers' brand on (a) diversity value (b) social value (c) reputation value.

# The moderating role of Environmental Concern

In this rapidly developing and changing society, the conceptualization of corporate social responsibility and environmental value has developed more and more important issues on business field. It also showed its importance on creating a sustainable future for next generations (GRI, UNGC, & WBCSD, 2015). On the other hand, the concept of employer brand has adopted in a lot of field. As for the role of corporate social responsibility in employer branding strategy, Aggerholm, Andersen and Thomsen (2011) have found that employer branding should be set as a blended part of a corporate social responsibility strategy to put forward a new approach of conducting employer branding as supporting sustainable organizational development and long-term employer-employee relationships. Their study also reported the impact of approaching stakeholder relations and organizational processes, including the employee-employer relationship and employer branding processes while organizations adapt corporate social responsibility strategies for sustainable development. Therefore, an individual's environmental concern might influence the way he/she perceives an organization's corporate social responsibility practices, which in turn affects the way he/she perceives the brand of that organization. In other words, environmental concern might be an important moderator for the relationship between corporate

social responsibility and employer brand. Standing on the above, the following hypothesis is developed:

H3: Environmental concern serves as a moderator between corporate social responsibility to society and tourism employee's employer brand on (a) diversity value (b) social value (c) reputation value.

H4: Environmental concern serves as a moderator between corporate social responsibility to employee and tourism employee's employer brand on (a) diversity value (b) social value (c) reputation value.

To summarize, this study has two main purposes. The first purpose is to explore the impact of tourism businesses' corporate social responsibility on employees' perceptions of employers' brand. To explore the related dimensions of employer brand, this study adopts three specific dimensions: (a) diversity value (b) social value (c) reputation value from Berthon's et al. (2005) and Schlager's et al. (2011). The second purpose is to investigate whether environmental concern has a significant moderating effect for the relationship between employer brand and corporate social responsibility (a) to society (b) to employee.

# Methodology

# Study design

This study adopts a cross-sectional, correlational research design to examine the relationship between the corporate social responsibility and the employer brand of tourism employee and set environmental concern as the moderator.

# Sampling and Data collection

This study employed an online self-administered questionnaire and a hard-copy survey. Before distributing the online questionnaire, one of professor in International Human Resource Development, National Taiwan Normal University who was fluent in both English and Chinese translated the questionnaire from English into Chinese and then back translated it into English to ensure the reliability and validity of the questionnaire. Afterwards, the finalized survey instrument was sent out during the month of June, 2017 to collect data. After a month survey period, a total of 248 usable responses were collected for statistical analysis. Using convenience sampling approach, a total of 248 usable responses were collected from tourism employee with legal professional licenses, including tour managers and tour guides in Taiwan.

# Measurements

As for the employer brand, the current study adopted three specific dimensions: (a) diversity value (b) social value (c) reputation value from prior studies Pierre, Michael and Li (2015) and Chiu (2013). The average Cronbach's  $\alpha$  of the scale was above 0.8. To understand the importance of each value in the eye of the fresh graduates, the study employed Berthon's et al. (2005) and Schlager's et al. (2011) total 13 items for measuring employer brand (Sample item: The

organization produces high-quality products and services). With the regard to corporate social responsibility, these 11 questions adopted from Turkers' (2009) study. This study adopted two factors from original study. The first factor is corporate social responsibility to society (21<sup>st</sup> item) for one question, natural environment (31<sup>st</sup> and 32<sup>nd</sup> items) for two questions, and future generations (35<sup>th</sup> and 36<sup>th</sup> items) for two questions; Second factor is corporate social responsibility to employees (4<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup>, and 9<sup>th</sup> items) for 5 questions. By means of Turkers' (2009) study, the Cronbach's alpha of the corporate social responsibility scale is 0.90. As for environmental concern, this study was carried out from Kilbourne and Pickett (2008). These 7 items were selected from 7 questions and used to measure the level of environmental beliefs of tourism employee (sample item: I would be willing to reduce my consumption to help protect the environment). Environmental concern comprised six items derived from Kilbourne, et al. (2002) and Cotgrove Wherewith Kilbourne and Pickett's (2008)research, the Cronbach's (1982). alpha of the environmental beliefs scale is 0.86.

# Data analysis

Simple linear regression and hierarchical regression analysis were adopted to test the hypotheses of the study. The finding of the study reveals that tourism businesses' corporate social responsibility has a significant positive effect on employees' perception of employers' brand. It implicated that tourism businesses' level of corporate social responsibility can positively influence how employees perceive their employer's brand. Another finding is that environmental concern plays as a significant moderating factor strengthening the positive relationship between tourism businesses' corporate social responsibility to society and employer brand on diversity value, social value, and reputation value dimension, respectively. It proves that those businesses with reputable corporate social responsibility practices to the society can build up a more impressive image on those employees with higher environmental concern and therefore will be more likely to view employer brand as positive.

# Results

# Profile of the sample

Subjects of this study comprise 151 males (60.8%) and 97 females (39.1%). With respect to educational background, around 83% of the subjects have a college degree or lower; while 16.9% have a masters or doctoral degree. The majority of the subjects (41.1%) earn less than \$40000 annually and only 6% of the subjects have an annual income over \$100000.

Category	Frequency(N.)	%	
Gender			
Male	151	60.8	
Female	97	39.1	
Annual income			
\$20000-39999	102	41.1	
\$40000-59999	79	31.8	
\$60000-79999	41	16.5	
\$80000-99999	9	3.6	
\$100000 and over	17	6.8	

# Table 1. Demographic profile of the sample

Generation			
Y generation	59	23.7	
X generation	129	52	
Baby Boomers	60	24.1	<u> </u>
Marriage			
Married	159	64.1	
Unmarried	89	35.8	
Education			
High school graduate	36	14.5	
G.E.D.	45	18.1	
Bachelor's	125	50.4	<u> </u>
Master degree	42	16.9	

### **Descriptive Statistics**

Table 1 presents the means, standard deviations, and correlations among all the constructs of the research interest. The results show that Cronbach Alpha reliability scores for all the constructs are above 0.7, indicating good reliability of all the measurements. In addition, the results of regression analysis for the first hypothesis reveals that corporate social responsibility to society has a significantly positive influence on employer brand's diversity value (b = .643, p < .01), social value (b = .675, p < .01) and reputation value (b = .646, p < .01), which provides support for H1 (a), H1 (b) and H1 (c). In the second hypothesis reveals that Corporate social responsibility to employee has a significantly positive influence on employer brand's diversity value (b = .687, p < .01), social value (b = .724, p < .01) and reputation value (b = .701, p < .01), which provides support for H2 (a), H2 (b) and H2 (c).

Table 1. Descriptive statistics, reliability coefficients, and correlations among the variables

	Mean	SD	1	2	3	4	5	6
CSR(to society)	3.3387	1.05	(.895)					
CSR(to employee)	3.3411	.98	.751**	(.895)				
Diversity value	3.5504	.844	.643**	.687**	(.953)			
Social value	3.6337	.88	.675**	.724**	.781**	(.847)		
Reputation value	3.6593	.83	.646**	.701**	.710**	.777**	(.931)	
Environmental concern	4.4267	.61	.175**	.099	.143*	.162*	.232**	(.876)

\*\*. Correlation is significant at the 0.01 level (2-tailed).

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

Table 2 present the summary of hierarchical regression analysis for moderating effect of environmental concern on the relationship between corporate social responsibility (to society) and employer branding. The results indicate that interaction term had significant additional explanatory power for diversity value ( $\Delta R2 = .02$ , p < .01), social value ( $\Delta R2 = .02$ , p < .01) and reputation value ( $\Delta R2 = .01$ , p < .05). Therefore, H3 (a), H3 (b) and H3 (c) are supported. On the other hand, the result of hierarchical regression analysis for moderating effect of environmental concern on the relationship between corporate social responsibility (to employee) and employer branding show that interaction term did not add significant explanatory power for all three dimensional values of employer brand (p > .05). Therefore, H4 (a), H4 (b) and H4 (c) are not supported.

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Table 7	The summary	of hierarchical	regression	analysis
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Employer branding variables	Diversity	Social	Reputation
(Step 1)			
CSR(society)	.61**	.65**	.16**
Environmental concern	.08	.96**	.61**
R <sup>2</sup>	.41**	.68**	.43*
(Step 2)			
CSR(society)×Environmental concern	.14**	.132**	.108*
$\Delta R^2$	.02**	.015**	.01*
F	61.72**	72.73**	64.271*
Total R <sup>2</sup>	.43**	.47**	.44*



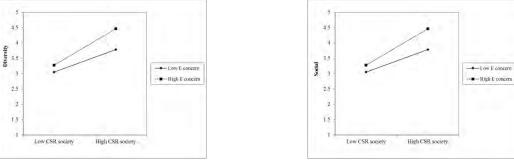
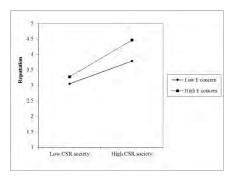


Figure 2. Interaction plot 2

Figure 3. Interaction plot 3



# Implications

The result of first hypotheses suggest that tourism businesses' corporate social responsibility to society and employee both could positively enhance employees' perception about their employer brand. Therefore, tourism businesses should strive to implement CSR activities for their employees and whole society, which would be helpful to improve and strengthen their brand images in employees' mind. In addition, the result of the second hypothesis demonstrated that environmental concern plays as a moderating factor strengthening the positive relationship between corporate social responsibility to society and employee and on diversity, social and reputation value dimension. It proves that those employers who devoted to social contribution can attract employees who concern environmental protection issue and therefore will more likely to view employer brand as positive. Hence, with the high job demand nature in the hospitality industry, the tourism agents should emphasize their human resource management on recruitment strategy to recruit new

employees with high environmental protection awareness, so that they can maintain or improve the reputation of their brands in employees' mind. In the training development program, tourism agents can also point out the awareness and knowledge of environmental protection to develop the constructive ecofriendly environment and improve the image of company.

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# DOES DIVIDEND BEHAVIOR DIFFER BETWEEN FRANCHISE AND NON-FRANCHISE RETAURANT FIRMS?

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# Abstract

In the effort to tackle puzzling behavior of dividend policy, numerous researchers have extensively proposed some theories and determinants of dividend policy. The restaurant industry was no exception to this attempt. However, no previous studies in the field of restaurant industry take franchise factor into consideration. The results of this study show that some of the factors previously proven to be important determinations of dividend policy can have heterogeneous implication in franchise and non-franchise setting. This study provides complimentary but more advanced perspective from which to analyze dividend behavior of the restaurant industry.

Key Words: Dividend policy; Restaurant firms; franchising

# CORRELATES OF DINER BEHAVIOR IN SELECTED BUFFECT RESTAURANTS

Mary Delia Tomacruz and Baac Valentino

This study sought to determine the correlates of diner behavior habits in selected all-youcan-eat buffet restaurants in the National Capital Region. Diner behavior was assessed in terms of frequency of dining, the usual restaurant they dine in, and the reasons for dining. It looked at the significant difference in the respondents' assessment of the frequency of visit and the reasons for dining in buffet restaurants when they are grouped by profile.

The respondents of this study were 550 diners of selected buffet restaurants. The research also sought to know the diner perception and the product/service attributes of buffet restaurants that diners deem important.

Findings revealed that at the 5% level of significance, occupation and age have statistically significant association with frequency of visit. Businessmen, professionals or officials of organizations and/or respondents with age 35 years old and above have higher tendency to visit buffet restaurants more frequently, at least twice a month. Buffet restaurants patrons dine mostly only on occasions. What inhibit them to dine more frequently are budgetary constraints, health considerations and the desire to partake food not offered in the buffet.

While the study revealed that all product/service attributes have positive average ratings, food taste, food quality and restaurant cleanliness were considered the top attributes. Although the relative importance of attributes within a group is the same, Mann-Whitney U test shows that the average rating of certain attributes are significantly different. Frequent buffet restaurant diners tend to give a higher rating for type of food and availability of credit system.

The study also found a strong aspiration of diners of buffet restaurants to patronize buffet restaurants with "green" accreditation or is environmentally sound, which was ranked first by diners regarding their perception of buffet restaurants. Related to this, diners believed that buffet restaurants must donate their food waste to food banks and charitable organizations.

It is recommended that management capitalize on the findings that diners like go to buffet restaurants that have been tried and tested based on referrals from family and friends by intensifying promotions on special occasions through online advertisements, particularly in social networking sites.

# EXPLORING SOUTH ARICA'S FASHION INDUSTRY AS A HIDDEN GEM WITHIN THE TOURISM AND EVENTS CONTEXT.

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# Abstract

South Africa's business and events industry has been highlighted as a key priority under strategic thrust in an effort to propagate South Africa's tourism economy. Moreover, the industry's profile has grown substantially over the last few years with the country being host to numerous major international events in the sports, business, and lifestyle arenas, and hence the creation of a dedicated National Conventions Bureau. While research that has focused on analysing the cause and effects of this events have increased over the years, such research has mainly focused on sport and business events, with those focusing on lifestyle, largely limited. This study unpacked the creative event industry in the South African context, making a case for it as an emerging, and potentially powerful contributors to the envisaged tourism growth. By way of semi-structured surveys conducted with key role players including players in such events (models, agents and other related professionals) during the South African fashion week, the research uncovers the potential that the fashion industry has to impact South Africa's tourism economy. Findings show that the industry attracts participants from many countries globally, who have a high earning power and spend money on shopping and visiting local attractions. Additionally, they tend to stay longer that the traditional tourists and tend to visit other local destinations after the event. The study concludes that the fashion industry represents a hidden aspect of the South African event industry that must be taken seriously in the planning and development of tourism.

Key Words: Events, tourism, fashion, South Africa

# CHARACTERISTICS AND STRATEGIC PERFORMANCE OF MIDDLE-EASTERN TRAVEL INDUSTRY ALLIANCES

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# Abstract

This quantitative research among 141 owners and managers of travel agencies in the Middle East investigates the SME-dominated travel sector there. Motives to join an alliance differed considerably between those without GSA representation and those having one and seeking more representations. Determinants for the subjective assessment of three performance indicators are discussed. GSA agencies focus more on one particular performance indicator, while agencies without GSA representation strive for a more balanced growth. Differences between GSAs and non-GSAs fit better explanations related to trust, feelings of compatibility and desire to provide better service than the Resource-based view of the firm.

Key Words: Middle East travel agencies, Airline Alliances, General Sales Agent representation

# Introduction

This quantitative research among owners and managers of travel agencies in the Middle East investigates the SME-dominated travel sector there and attempts to learn more about their alliances with airlines.

The travel agency model worldwide has changed, and the job of a travel agent is becoming more and more complicated every day. With the new era of online travel agencies, the role of travel agencies worldwide has been minimized (Castillo-Manzano & López-Valpuesta, 2010).

With a pressure to lower prices of airline tickets, the cost of commissions to travel agents has become a big burden for all airlines worldwide. The new focus by airlines on lowering their costs by presenting online booking systems to customers can provide direct benefits (Thomas, Shaw, & Page, 2011). It helps airlines by not paying incentives to travel agents. An airline's own reservation systems and online travel agents (OTA), which often don't charge booking fees, make it possible for retail customers to reserve and purchase any travel service online and not pay travel agent cost and service charges.

These developments have diminished the role of the travel agent and made it different and more difficult. In order to survive these new changes, travel agents nowadays need to have a certain specialty, expertise in a certain field, or a certain edge that can differentiate them from competitors in the market.

In order to be able to compete properly and keep a certain market niche, a local travel agent has the choice either to enter an alliance or not. The decision to enter an alliance is always linked to growth prospects in the tourism industry, and many scholars have been reported limitations in this field for those not entering an alliance (Pansiri, 2008; Thomas et al., 2011). Specifically, (Pansiri, 2009) argues, "strategic alliances can be used effectively in order to achieve growth and competitiveness which in this industry take a variety of forms".

This research took place in the MEENA - Middle East North and Africa region. While the roles of travel agencies have been greatly reduced worldwide, this trend has been slower in the Middle East. Travel agencies here are often small family-owned SMEs, and the need for a link between airlines and customer in the Middle East has less decreased here than elsewhere. For example, the percentage of sales in the Middle-Eastern for airlines is approximately 80% from travel agents, 15% from OTA and 5% from airlines offices, (M. Koleilat, personal communication, March 25, 2016). This makes it impossible for airlines to ignore the role of travel agents. The number of travel agencies is around 6996 IATA authorized travel agents in the MEENA region in year 2014, and 7350 IATA authorized agents by the year 2015, with an approximate 5% increase yearly. (A.Hariri, personal communication, March 25, 2016).

One of the reasons for this situation is the language barrier that has made it nearly impossible for airlines to bypass the travel agencies. All airlines tickets issued in the Middle East are either in English or in French. There is no reservation system in Arabic, the main official language of the Middle East region. In that situation, the travel agent serves as a conduit for translation. Another factor that has slowed down the marginalization of the travel agent is a need for verbal communication because the educational level in the MEENA region is very low. For instance, the literacy rate in Egypt is around 75%, according to UNESCO data collected in (List\_of\_countries\_by\_literacy\_rate, n.d.). Finally, resources as internet and computers can be scarce in certain areas, also contributing to need of the services from travel agents.

# **Description of the industry**

A travel agency is a private company that sells tourism products on behalf of suppliers such as airlines, car rental firms, hotels, insurance providers, cruise operators and rail companies. Besides dealing with basic sales inquiries, travel agencies often have specialized departments for specific customer needs such as leisure or business-specific travel only.

Agencies and tour operators usually obtain a membership of the International Air Transport Association (IATA), in order to protect themselves and their clients against the possibility of commercial failure of the agent that would affect its customers. IATA is an international industry trade group of airlines existing to protect customers and to certify agencies that meet certain criteria. Some travel agencies serve as general sales agents (GSA) for foreign airlines. With this mechanism, foreign airline companies can have a presence in countries in which they do not operate. They can have representatives abroad to handle all their sales and influence the way of management their brand remotely, without going through the trouble to enter the foreign market, create a brand image, and bear all the costs. Other mechanisms for this goal, not considered in this research, include direct investment and online services.

By appointing a GSA, the airlines create a contract between the travel agent and them in order to acquire the capacity in a new country to profit from providing services like ticketing and cargo shipping. This gives the airline the potential to promote its brand in a foreign market at a lower cost than the cost it would incur by direct investment. In such a contractual alliance, the airline does not have a presence in the foreign country, and the local travel agent will act as and on behalf of an airline in the local market. A local travel agent can act for one or for more than one airline as a GSA representative as long as these GSA are for airlines that do not compete in that local market, It is actually quite common that a travel agent represents more than one airline as a GSA.

Both parties will have the shared aim of increasing market presence, ticket revenues and ultimately profitability. The GSA receives a fee or set commission for sales and services provided on behalf of the airlines of around 3-5%. All business costs are the responsibility of the GSA. This includes office expenses, travel insurance, employees etc.

Most travel agencies operate for most of their services on a commission-basis. The compensation from car rentals, cruise lines, hotels, and railways tour operators is expected to be in the form of a commission from their bookings, usually as a set percentage of the sale. However, nowadays, most airlines pay no commission at all to travel agencies. In this case, an agency usually adds a service fee to the net price. For the travel agents, the advantage of being a GSA representative for an airline is also the increased visibility, trustworthiness and prestige that it confers, and the access to the airline's resources.

Travel agencies can be grouped into four categories: mega, regional, consortium and independent. The mega category includes those such as the American Express travel agencies which sell a comprehensive range of services and have many partners across the world. They are considered 'travel management companies' (TMCs) and cater to business travel. While globally 60% of leisure travelers purchase online, business travelers tend towards greater use of travel agents due to the different format of their trips, often characterized by multiple destinations, complex itineraries and a willingness to pay for less hassle and better air and land travel planning. This is one of the most profitable areas of the travel industry and the one with the most foreign business market exposure, but TMCs will not be considered in this paper. Some travel agents take on a travel management role and are referred to as travel consultants.

# Alliance formation for sme firms in the Middle East region

The following qualitative description of the alliance formation process is based on pilot interviews and observations by the main author. The literature about alliances differentiates between endogamous and exogamous alliances. Endogamous alliances are between partners with the same profile (Jolly, 2001; Czipura & Jolly, 2007). The alliances considered here are exogamous. The

Airlines are the large and more powerful partner in the exogamous alliance, and can therefore set the requirements that the SMEs have to satisfy before an Airline will accept them as an alliance partner. Those requirements are partly objective, like size and customer base. They are also partly subjective, based on assessments by the Airlines and TMCs of the quality of management of the SME. Many small SMEs do not envisage that they may be able to fulfil the requirements for entering into an alliance agreement and thus do not seek a path that will lead them towards the necessary size and growth criteria for embarking on such an agreement. Even if they did apply, they would not have the necessary size and growth potential. However, some larger and more successful SMEs will focus their market strategy on gaining market share and growth with a view to becoming eligible alliance partners and may succeed.

# The research question

The research question can be formulated as follows: What are the characteristics of travel agencies in the Middle East that enter an alliance compared with travel agencies that do not enter such an alliance? What influences the willingness of SMEs to enter an alliance? What influence has an alliance on SME performance? What are the benefits and drawbacks of a multinational representation for SMEs?

# Literature review

*General theory of alliances:* When two organizations decide to cooperate in an inter-organizational relationship, their affiliation can be regarded as an "alliance". An alliance is supported by a formal agreement about the nature of the relationship between the firms. The contractual agreement specifies the role of the alliance and what is needed to be applicable (Jolly, 2001).

Scholars have given many (similar, not contradictory) definitions of alliances. Jolly (2001) defined an alliance as a voluntary multi-linked weave between several sovereign firms. Minimally two companies share a part of their resources in the pursuit of common objectives for reciprocal benefits.

Das & Teng (2001) state that "strategic alliances are voluntary cooperative inter-firm agreements aimed at achieving competitive advantage for the partners", see also (Das & Teng, 2000).

Spekman, Isabella & MacAvoy (2000) posited "an alliance is a close collaborative relationship between two or more firms with the intent of accomplishing mutually compatible goals that would be difficult for each to accomplish alone". This definition comes close to the type of alliance considered in this paper.

For Torre & Ring (2001) "an alliance is a formal agreement between two or more business organisations to pursue a set of private and common goals through the sharing of resources...in contexts involving contested markets and uncertainty over outcomes".

Similarly, according to Pansiri (2005), strategic alliances are arrangements between two or more independent organisations that form part of, and are consistent with, participants' overall strategies and contribute to the achievement strategically significant objectives that are mutually beneficial.

An alliance can be initiated via many steps (Albers, 2005). That work established five alliance steps for general alliances:

- Voluntariness: Companies only go into alliance if they think that this step will bring benefits
- Agreement: Alliances are a fixed agreement that involves a signed contract pertaining to a specified period.
- Exchange of resources: An alliance is based on the sharing of resources and knowledge.
- Co-development: Both partners need to cooperate in the alliance and need to work together jointly
- Sharing of benefits and control: Sharing benefits and control is one of the main purposes of an alliance.

(Jolly, 2001) and (Pansiri, 2008) studied alliance formations in the tourism industry, from airlines to hotels, cars, etc. However, not much research was done on GSA formation in the Middle East region. (Pansiri, 2008) quantified the alliance formation in Australia between all type of travel agents and all type of general alliances that can be formed between travel agents and other industries, using two types of alliance formation as a model, franchising and joint venture. In the current research the alliance between travel agent and airlines is specifically analyzed, and characteristics and profiles of the SME (local) travel agents who have an alliance and the agents who do not have an alliance are compared.

*Motives and explanations for alliance formations:* The most common goal for alliance formation is to maximize long-term profit, via achieving more revenues or lowering cost or both. Interviews with SME-Travel agents who seek an opportunity to enter an alliance seem to suggest that this is usually based on motives related to growth and survival. In seeking a GSA, a travel agent would be looking for resources and expect higher cost but also more benefits. In general, alliances are formed to gain competitive advantage and to help firms acquire new skills (Child & Faulkner, 1998). Generic motives for alliances fall into five categories:

- Motives based on minimization of transaction costs
- Resource-based motives
- Strategic-positioning motives
- Learning motives
- Other motives related to risk reduction/management (Child & Faulkner, 1998).

Pansiri (2005) divided motives into two parts and called them "Internal organizational drivers" and "External environmental Drivers". The internal driver comes from the realization that the organization cannot achieve its objectives alone and lacks resources. (This is the perspective of the resource-based view of the firm). The alliance internal motives are linked to reducing the internal uncertainty. Some Internal Drivers that can be motives to decision to attempt to enter an alliance includes Risk sharing, Shaping Competition, Economies of scales and scope, and inter-organizational learning.

The external environmental drivers are motives coming from the fact that an organization needs to handle external uncertainty in order to attain its goals. External drivers can vary from situation to situation (Child & Faulkner, 1998), for instance Globalization, Technology, Economic restructuring, and market entry and product development.

(Das & Teng, 2000) discuss a number of other theories have arisen with the emergence of strategic alliance, such as transaction cost economics (Hennart, 1988), game theory (Parkhe, 1993), the strategic behaviour model (Hagedoorn & Narula, 1996), the strategic decision- making model (Das & Teng, 2000), social exchange theory (Axelrod, 2006) and power-dependence theory (Pfeffer & Salancik, 2003). These theories, especially the dominant transaction cost perspective, have proven to be useful in understanding the phenomenon of strategic alliances (Das & Teng, 2000). The resource-based rationale will constitute one of the bases of this research. In a resource-based perspective, (Eisenhardt & Schoonhoven, 1996) alliances are viewed as "cooperative relationships driven by the logic of strategic resource needs and social resource opportunities".

*Transaction Costs:* Transaction costs are incurred via the essential actions to enable a market exchange in an imperfect market, such as signing a contract or arranging a bank guarantee. Production costs, on the other hand, refer to internal activities as learning, organizing and managing production. The Transaction Cost Rationale for an alliance is based on "Minimizing the sum of production and transaction costs" (Kogut, 1988).

For GSAs, contracts are specific and long term. The minimum contract is for one year and is renewed automatically with the renewal of an official bank guarantee if no breach of the contract has arisen. Approval occurs after a review of the tasks required to be achieved by the alliance partners. The Transaction Costs can be evaluated into two parts:

- First, if transactional costs will cause a barrier for the travel agent to pursue an alliance.
- Second, will transactional costs be a burden for the travel agent during the alliance?

*Asymmetric Information:* Asymmetric information is a concept from economic science associated with the theory of agency, concerned with how parties look for each other in order to execute a certain task but neither partner knows the aim of the other (Akerlof, 1970). In an alliance, trust is an essential component to overcome the problem of asymmetric information between the partners.

Bierly & Gallagher (2007) state that there is a lack of understanding as to why and where trust resides within an organization. They think it is necessary to differentiate between interpersonal trust and firm-level trust. Nevertheless, many academic studies have found that trust within an alliance (at the firm-level) is an important variable for the explanation of alliance formation. The qualitative pilots that were conducted in the framework of this research, seemed to confirm that this kind of trust plays a role. Therefore, trust is retained in this study.

*Conclusion from the Literature:* The literature has considered many factors that have an influence on the success of an alliance. Pansiri (2008) summarized these characteristics into 4 C's and Trust: Compatibility, Capability, Commitment, Control and Trust (Pansiri, 2008; Stuart, 2000). These components are perceived as an important determinant of alliance success and continuity and basis for selection.

In this study, these characteristics of strategic alliance partners ("4C's and T") are used

- Compatibility: This is seen as one of the most important characteristics of the alliance. If the two organizations are not compatible the relationship will not last (Shamdasani & Sheth, 1995).
- Capability: This refers to the potential resources that the company can deploy, such as R&D marketing and development (Hitt, Ireland, & Hoskisson, 2011).
- Commitment: According to (Shamdasani & Sheth, 1995), "alliances are like a marriage; they only work when both partners do". Commitment is considered in relation to undertaking actions that facilitate attainment of strategic alliance goals. Furthermore, successful alliances are those formed by partners who continue displaying high levels of commitment and capabilities. It is through commitment and capabilities that partners not only become satisfied with the alliance but also increase their market share and profitability.
- Control: The literature states that control is a key source of confidence in partner cooperation (Gulati & Sytch, 2008). It refers to what level of authority one should have in an alliance in order to prevent one partner's domination (Gomes-Casseres, 1997).
- Trust: This should be cultivated by personal relationships among managers (García-Canal et al, 2002). Trustworthiness can be estimated by organisations' previous relationships and, associated with this, their reputation (Pansiri, 2005).

This work follows Pansiri (2008) in using the 4C's+T, transaction costs, and motives.

Because most travel agent businesses are SMEs, characterized by having several alliance partners, there are particular implications for the manner in which alliances are managed in the travel sector: they cannot rely on formal partner control mechanisms but rather more on partner commitment and capability, trust, and compatibility (Pansiri, 2008).

# Survey design and sampling

A quantitative digital survey was developed containing 77 items in four sections. Sections were preceded by filter questions. Agents who have an alliance and have future plan to enter another alliance: answered 77 questions. Agents who have an alliance and don't have future plan to enter a new one answered 72 questions. Agents who don't have an alliance but have future plan to enter an alliance answered 69 questions. Agent who do not have an alliance and do not have future plan to enter to enter one: answered 58 questions. Only a subset of the results are presented in this paper. For instance, alliances with TMCs (a minority) are not discussed here.

# **Results and analysis**

*Demographics:* An invitation to participate was sent out to nearly 7000 SME travel agencies. Response rates were low even after offering an incentive, a chance to win an iPad. There were 141 completed and returned surveys during the 10 months (01 Jun 2014 - 20 Mar 2015) of the data collection period. Respondents were mostly from Lebanon (63%). Possible reasons were that the research was done in Lebanon by a first author who was known to people in the industry, that the research had the support of the Lebanese Ministry of Tourism and ATTAL: Association of Travel

agent and Tourist agent in Lebanon, and maybe also that the country is more mature in its development. Other respondents were more or less evenly distributed over Jordan, Saudi Arabia, Qatar and UAE, Turkey and in a smaller part from others as Bahrain, Tunisia, Algeria, Oman, and Syria.

Male respondents (65% of the sample) were on average 46 years old and female respondents (35%) 41 years old. The distribution of age groups was 17.82% for the 25-34 age group, 27.72% for the 35-44 age group, 33.66% for the 45-54 age group, 15.84% for the 55-64 age group, and 4.95% for the 65-75 age group.

Of the respondents, 31% represented a TMC and 30% represented a GSA. Respondents who had a GSA represented it already for more than 5 years on average. 40% of the travel agents had more than one GSA. More alliances can create economies of scale. 66% of the travel agencies are family businesses. Most of the travel agencies were small to medium size companies with a maximum of 500 employees. 76% had 0 to 1 branch offices; only 19% had 2 -5 branches and 5% had 5-50 branches.

*Motives:* The following table (Table 1) shows the motives for those who like to pursue an alliance in the future. For some of them (left column) this is the first alliance. Others (right column) have already one or more alliances and want more. The table shows that the experience of having already an alliance (possibly also an alliance with a TMC partner) influences the motives strongly. The large discrepancy for the need to keep up issue comes from that technology is less important when an agency has an alliance already because alliances provide technological support. However, having an alliance makes more agencies pursuing a growth strategy

Table 1 Motives of agencies that do not have an alliance compared with motives of agencies with an alliance

No GSA or no TMC representation	Have already GSA and/or TMC representation
29% Our company needs to improve market share	50% would want to improve market share
46% Better access to overseas market	29% Better access to overseas market
42% Our company needs to keep up with technological	17% Our company needs to keep up with technological
change	change
38% To get a better reputation and general image for	17% To get a better reputation and general image for
our company	our company
21% The potential to lower costs	17% The potential to lower costs
17% Our company needs the distribution channel of	38% Our company needs the distribution channel of
the GSA or TMC	the GSA or TMC
29% Our company wants to be more competitive in	33% Our company wants to be more competitive in
international markets	international markets
25% The strength of personal relationships of a	25% The strength of personal relationships of a
possible alliance partner	possible alliance partner
17% Our company needs to learn from the GSA or	8% Our company needs to learn from the GSA or
ТМС	TMC
13% Our company needs to respond to the volatility in	17% Our company needs to respond to the volatility in
the tourism market	the tourism market
8% Our company needs the marketing skills of the	46% Our company needs the marketing skills of the
GSA or TMC	GSA or TMC

*Factor Analysis:* A factor analysis with Varimax rotation made it possible to reduce various survey items into new lower-dimensional variables that corresponded to general constructs. In this way variables are construed by dimensional reduction as averages from survey questions measuring the assessments of respondents of how important *Capabilities, Control over the Alliance* partner, *Compatibility between the two partners*, and *Commitment* are, and how important it is that both partners are honest and truthful. The latter variable is measured by a variable *Trust*. Another variable was construed for answers if the cost of pursuing the alliance and the bargaining costs play a role in the decision to pursue an alliance. This variable is named *Transaction Costs*. In the remainder of this paper we will *italicize* the description of those variables to make clear that they refer to averaged answers of survey items

One of the outcome gauges for a successful alliance is satisfaction with the level of performance in providing services to the customer. Survey items asked about the satisfaction in acquiring new skills, mastering new technology, increasing reputation, value creation and providing customer service. Factor analysis showed that it was possible to construe an overall variable that was named *Satisfaction from All Customer Service*. Two other Satisfaction Measures that were found via the factor analysis were *Satisfaction about Growth* and *Satisfaction about Financial aspects*. It is a main conclusion of this article that there is not one performance measure for travel agencies. Different agencies have different goals and should not be judged on one criterion only, like only financial success.

Classifying if an agency has an alliance with Logistic Regression: A logistic regression analysis was done in SPSS in order to see whether it was possible to classify if agencies had an alliance or not at the time of the survey, using as predictors the data that was collected in the survey. Both a forward and a backward analysis (to compare stability) were done with essentially the same conclusions. The numbers given here refer to the findings in the forward logistic regression. 75 cases were included in the analysis (70.1% of the total) because the other 32 (29.9%) had missing information ("missing cases"). Of those, 40 were YES and 35 NO. The pool of variables from which the logistic forward regression algorithm could choose contained both most continuous variables constructed after the factor analysis and categorical variables, mostly derived from the demographic section. The algorithm's starting point was that all were cases were "NO" alliance, which was 53.3% correct. The procedure stopped adding new variables after 11 steps, for a very satisfactory Nagelkerke R<sup>2</sup> of 0.525. The results were significant, the block and model significance were <0.0005. The final prediction was correct for 31 NO cases and 22 YES cases. A minority of 9 NO cases were incorrectly classified as YES and 13 YES cases were incorrectly classified as NO, which means a success rate for 77.5% of the NO cases of and for 62.9% of the YES cases. The overall weighted success rate was 70.7%, a considerable increase when compared with the initial guess of only 53.3% correct classifications.

The variables that have B-values considerably bigger or larger than 1 (what means that they had a non-negligible contribution to the classification) were *Compatibility, Service for Customers, Future plans for (more) alliances* and *Trust.* While one should not attach too much meaning to that, it is interesting to note that variables that were not playing a role were among others *Commitment, Control, Dynamic Capabilities,* if the company was a family business and the influence of the environment (the subjective norm in the Theory of Planned Behavior). *Transaction Costs* were not included in the analysis for numerical stability reasons. The results

seem to suggest that the standard theory of Resource-based view of the firm (based on the idea that Dynamic Capabilities provide firepower to the business so that it becomes more competitive) is not the full story about seeking and maintaining an alliance in this industry. The analysis here suggests that the reasons are more psychological, related to trust, feelings of compatibility and the desires to provide better service. Interesting enough, those are more the characteristics of an endogamous alliance between two equal partners than those of an exogamous one. As mentioned in the literature review, Pansiri (2008) reached similar conclusions. He concluded that this was because travel agencies interacted with more airlines as a GSA. Our work did not collect the data needed to support or reject that hypothesis.

*Performance Indicators:* Table 2 shows the differences in correlations between the 4C+Ts and the performance indicators for those who have already a GSA and those who are only pursuing it. In agreement with the factor analysis, performance is separated into three areas. The table is split out into two parts, left the agencies who did not report having an GSA and on the right the ones that had a GSA. Respondents that represented only a TMC were excluded, as the characteristics of that group are different. For technical reasons within the survey, there are no data for *Satisfaction with Finance* available for the non-GSA group.

Table 3 Correlations with Performance Indicators for agencies that have no GSA representation (left) and have GSA representation (right)

Has GSA	NO			YES			
	Satisfaction All Customer Service	Satisfaction Growth	Satisfaction Finance Performance		Satisfaction All Customer Service		Satisfactio Finance Performan
rust	.327*			Trust			55
	.028	NS	X		NS	NS	
Commitment	45 .334*			Commitment	.400*		
ommunent	.027	NS	x		.400	NS	1
	.027	ING	^		.047		r
Control	44			Control	20	.445*	
	NS	NS	х		NS		1
			~			27	
Capability				Capability		2.	
	NS	NS	х		NS	NS	١
Compatibility				Compatibility			53
	NS	NS	Х		NS	NS	.0
ransaction Costs				Transaction Costs	.524*	.551*	
	NS	NS	Х		.026	.014	1
					18	19	
atisfactionAllCustomerService	1	.344*		SatisfactionAllCustomerService	1		
		.021	X			NS	
	45	45			26		
atisfactionGrowth	.344*	1		SatisfactionGrowth		1	
	.021		X	_1	NS		
- ti - fa - ti - a Fina - a - a Da afa a	45	46		Optiofestion Finance Darf		27	
atisfactionFinancePerformance			1	SatisfactionFinancePerformance			
	X	Х			NS	NS	
			1				

\*\*. Correlation is significant at the 0.01 level (2-tailed).

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

X. Insufficient data available

NS. Correlation is not significant at the 0.05 level (two tailed).

The left and the right part of the table paint a very different picture. Some salient points:

- The group with a GSA has no correlations between any of the three performance indicators. This fact points to different growth strategies and larger specialization among the group with a GSA (Data about TMCs are not included but have the same pattern). The ones that have no GSA representation try to have a more balanced strategy that addresses growth and customer services more equally.
- The influence of trust is very different in the two cases, with lower financial satisfaction when the trust in the partner increases among the group with an alliance. One can only guess for the reasons of this disappointment. Higher trust has an association with

Satisfaction about Customer Service within the group without a GSA. Commitment influences in both cases only the satisfaction about giving customer service.

The three classics Control, Capability and Compatibility, and Transaction Costs, are only significant when there is an alliance. The theory of dynamic capabilities is not explaining any of the three performance indications, in contradiction with the resource-based theory of the firm. Transaction costs explain much more of our results, but unfortunately, the number of respondents is low.

The differences between agencies having a GSA and not having a GSA also show in associations between demographic variables and performance indicators. None of the demographic variables showed an association with *Satisfaction about Customer Service* or *Growth*. There was a strong negative association (r=-0.513, p=0.006, N=27) between *Future Plans to enter an alliance* and *Satisfaction about Growth* for those who *had already GSA representation*. This shows that management considers additional GSAs as the best route for growth.

None of the variables like number of branches, number of employees, age, if the business is a family business or not, and gender of the manager show a significant association with any measured performance indicator. There is some hint in the data that *number of branches* and *number of employees* and *age of the CEO* play a role in *Satisfaction about Customer Service* if the agency is representing a TMC but does not represent a GSA. Such differences are, of course, very plausible, given the different missions of such representations.

# Conclusions

This quantitative research among owners and managers of travel agencies in the Middle East investigated the SME-dominated travel sector there. The research explored motives for joining an alliance as a GSA (General Sales Agent) for an airline, and determinants for the subjective assessment of three performance indicators, *Satisfaction about Growth, Satisfaction about Customer Service*, and *Satisfaction about Finance*. Specifically, *Dynamic Capabilities, Compatibility, Control, Commitment, Transaction Costs* and *Trust* were explored. 141 returned questionnaires were used for the analysis. Motives to join an alliance for those not having a GSA representation and for those seeking to have more representations differed considerably, especially about seeking a larger market share for the ones that are already a GSA. The data also suggest that GSA agencies focus more on one particular performance indicator of the three considered here, at the cost of the other two, while agencies without representation strive for a growth that is more balanced. Differences between GSA and non-GSAs fit better explanations related to *Trust*, feelings of *compatibility* and the desire/*satisfaction to provide better service* than the Resource-based view of the firm, and have more the characteristics of an endogamous alliance between two partners of similar size than those of an exogamous alliance.

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## THE ECONOMIC RATIONALE FOR GOVERNMENT INTERVENTION TO REDUCE SEASONALITY

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Many tourism destinations face with the problem of a high intra-anual variability of demand, which produce an alternation of a high season with overexploitation of natural, physical and human resources with a low season with underutilization of those resources. Even although at the root of seasonality are causes exogenous to the destination (namely, climate variability and institutional factors of the countries of origin), there are indications of the existence of market failures in the destination that exacerbate seasonality patterns, namely:

- In many destinations considerable efforts are made by the public sector to mitigate seasonality, which reveals that the authorities of a destination consider that seasonality is something socially unsatisfactory.

- These efforts are not directed mainly to the causes that are the root of the problem of seasonality, but are mainly oriented to the reorganization of available resources with a view to the creation of new products, the attraction of new markets or the provision of goods public that improve the attractiveness of the destination in low season. That said, only three mutually exclusive alternatives are possible:

i. Seasonality does not cause social damage in the destination, with which the public authorities suffer a problem of myopia. Conclusion: Policies to mitigate seasonality should be avoided.

ii. The seasonality causes damage in the destination, but the market is able to mitigate the seasonality until there is only one "irreducible" seasonality, the result of the exogenous factors to the aforementioned destination. Conclusion: the policies of a destination aimed at mitigating seasonality are a waste that must be avoided.

iii. Seasonality causes damage to the destination and can be reduced, but the market is not capable, on its own, of generating the necessary incentives to achieve this end. Conclusion: there

is scope for policies aimed at mitigating seasonality, but an adequate design of them requires an adequate understanding of the market failures (and failures of public intervention) that exacerbate the seasonality of the destination.

Our working hypothesis points to the validity of scenario iii. Among the possible market failures, we think that coordination problems can have an important role in the tourism seasonality. In fact, the activation of the tourist activity of a destination in the low season is similar to the problem of creating or redesigning a product. Or rather, in the case of a tourist destination, a multiproduct, where different agents have to coordinate to capture the markets of origin with demand in the low season and offer the appropriate services to these markets. In the problems of coordination are externalities, such as, for example, the positive externality that a leisure center that decides to open in low season exerts on hoteliers in the area, making it more attractive to visit it. In addition, the provision of public goods, such as the promotion of the destination (in this case, low season) or the provision of infrastructures or organization of events in low season can contribute, in the form of big push, to solve the problems of coordination that limit the development of the destination as a product of the low season.

Finally, besides factors exogenous to the destination and market failures, seasonality may be exacerbated by the unintended consequences of public policy, especially through those public institutions and regulations that limit intra-annual flexibility of tourism prices. The examples go from airport taxes constant through all seasons to labor institutions and legislation that limit the intra-annual wage flexibility. Policy to curve seasonality should, therefore, expand beyond its traditional tools to tackle with all the public intervention areas that could be affecting the seasonal pattern of the destination.

The study used a survey trough a questionnaire for Hotels located in Mallorca Island. The methodology was IPA (importance-Performance Analysis) which has been extensively used in hospitality and tourism research mainly in marketing and management strategies. We used it to evaluate the tourism policies to reduce seasonality.

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# SEASONALITY IN MEDITERRANEAN DESTINATIONS. THE CASE OF GERMAN TOURISM IN THE BALEARIC ISLANDS

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#### Abstract

Seasonality in the Mediterranean is one of the most relevant characteristics that affects the tourist activities The knowledge of the habits of traveling allow us to study which are the possibilities to develop strategies for reducing the seasonality. In this sense, we have to know the mechanisms of information, motivation and the decision, for traveling to the Balearic Islands in order to satisfy the needs of the German tourism in low.

Key Words: Seasonality, Balearic Islands, tourism, new products.

#### Introduction

The destinations that offer sand and sun tourism product (Aguiló et al, 2005) with enough seasonal climatic variation, the main driver of tourism flows is the warm and dry weather, which is not typical during winter time. Therefore, during winter time there is no sand and sun product to offer, and tourism resources remain idle until the next high season. There seems to be a natural profit opportunity in using these idle resources to produce value, and this requires creating a new product to sell during the low season, possibly to a different market segment. A puzzle with no obvious answer arises when these new products and market are not identified/found and, therefore, the climatic seasonal variation translates into an equivalent seasonal variation in tourism flows. It may well be the case that in some situations the investment needed to create the new product and to introduce it in the market is not compensated by the expected profit from its commercialization. However, there are bases to consider that in many occasions this is not the case, considering that an important part of the operative costs are already incurred even if resources are inactive (Duro 2016). When economists detect the existence of unexploited profit opportunities they tend to take them as a signal of a market failure. Given that the tourism product is made of a set of different goods and services, with different appropriation and rivalry degrees, that are provided by different

uncoordinated agents, the coordination failure can be the plausible reason for the inability to delink the patterns of tourism flow from the underlying exogenous seasonal variations (Koenig-Lewis, N.et al . 2010).

The causes of seasonality and strategies are ordered in a "new" scheme that aims to facilitate the analysis and design of tourism policies that can mitigate seasonality in tourist destinations.

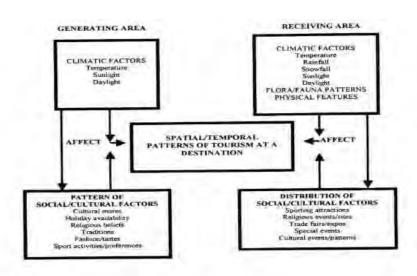


Figure 1 Causes of seasonality

Source Butler (2001)

The knowledge of the habits of traveling allow us to study which are the possibilities to develop strategies for reducing the seasonality. In this sense, we have to know the mechanisms of information, motivation and the decision, for traveling to the Balearic Islands in order to satisfy the needs of the German tourism in low season. The survey was made at the Airport of Palma since the 20 of October to the 15 of December 2016.

We collected 684 valid questionnaires in order to analyze the decisions that induced the tourists to choose Majorca as a destination during low and medium season and the levels of satisfaction that they had after the stay. For the current analysis, has been used the technical PCA (principal component analysis) in order to reduce the number of variables that affect to the estimation of the activities realized and the products to be developed in low season

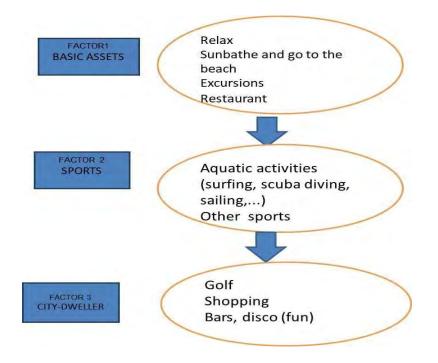
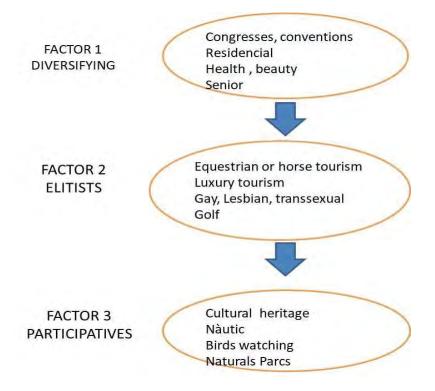


Figure 2 Evaluation of the activities carried out (PCA)

Figure 3 Products to increase in low season



In sum, the main aim of this research is to seek for new strategies which will allow mediterranean mature destinations in particular Balearic islands enhance their competitiveness and to mitigate the effects of the seasonal patterns that characterize the actual sun and sand tourism product. Although a priori this idea seems to be simple, dealing with these notions becomes very complex, both in academic and practical terms (Lee et al ,2008)

The public sector will have a leadership role in some cases and especially in coordination with the private sector

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# SERVQUAL, CUSTOMER LOYALTY, WORD OF MOUTH: THE MEDIATING ROLE OF CUSTOMER SATISFACTION

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#### Abstract

Purpose – The purpose of this research is to test the conceptual model that investigates the effect of service quality provided by 5-star hotels on customer satisfaction, customer loyalty, and positive word of mouth.

Design/methodology/approach – A quantitative research strategy was chosen for this study. The questionnaires were distributed to guests of 5-star hotels in Belek, Antalya.

Findings – The findings of this research demonstrate the positive relationships between service quality and customer satisfaction, as well as the positive effect of customer satisfaction on customer loyalty and positive word of mouth. Moreover, the results show that service quality positively related to customer loyalty and word of mouth, therefore, customer satisfaction plays as a role of partial mediator. The results revealed that there is a negative relationship between tourists' age and their satisfaction with the services. Also, the findings show that the higher the educational level of tourists the less loyal they are towards the hotel organization.

Keywords – Service Quality, Customer Satisfaction, Customer Loyalty, Word of Mouth, Hotels, Turkey.

Paper type – Conference Paper

#### Introduction

Service quality within the hospitality settings attracts scholars' attention as there is always the gap between customer expectations and organizational service performance (Torres, 2014). Within highly competitive hospitality market environment, hotel managers pursue different strategies and practices to improve service quality and satisfy needs and wants of their customers (Zaibaf, Taherikia, & Fakharian, 2013). Providing high level of service quality helps hospitality organizations to gain competitive advantage, boost guests' satisfaction, and retain loyal customers

(Amin, Yahya, Ismayatim, Nasharuddin, & Kassim, 2013; Wilkins, Merrilees, & Herington, 2007).

When high-quality service is provided, customers are satisfied, they are more likely to repurchase the service, what will lead to customer loyalty to this service provider (Bloemer & Odekerken-Schroder, 2002). Building strong relationships between hotels and their guests is one of the main concerns of the hospitality managers as attracting new customers has been found more expensive rather than retain the current once (Hussain et al., 2015).

The present study contributes to the existing hospitality and tourism literature by testing the conceptual model of the antecedent of customer satisfaction (CS) in the form of SERVQUAL model with regards to the following SERVQUAL indicators: tangibility, reliability, responsiveness, and empathy of the service. In addition, this research investigates the outcomes of customer satisfaction (CS) in the form of customer loyalty (CL) and word of mouth (WOM) in the famous touristic summer destination, namely in Antalya, Turkey. In this study, CS plays a mediating role between SERVQUAL and positive outcomes such as WOM and CL.

#### Literature Review and Hypothesis Development

#### Service quality and Customer Satisfaction

The concept of SQ occurs when customers' expectations regarding the particular service is met or exceeded by the service organization (Parasuraman, Zeithaml, & Berry, 1985). Customers access the SQ by comparing their own expectations with the actual service firms' performance.

There number of instruments for service quality measurement has been suggested by the scholars. SQ measurement model suggested by Parasuraman et al. (1985) is widely used by scholars and managers. Originally SQ measurement scale consisted of 10 dimensions, namely, tangibles, reliability, and responsiveness, understanding the customers, access, communication, credibility, security, competence, and courtesy (Parasuraman et al., 1985). However, SERVQUAL dimensions have been later simplified by Parasuraman et al. (1988), and the final dimensions include tangibles, reliability, responsiveness, assurance, and empathy.

Tangibles refer to physical facilities, equipment, and organizational staff. Reliability occurs when service organization provides promised services to customers. Responsiveness refers to the willingness of the hospitality firm to help customers when they need it. Assurance is defined as building certainty and trust between customers and service provider. Empathy refers to caring and showing attention to the customers' wellbeing (Parasuraman et al., 1988). Previous researches demonstrate that service quality improvements enhance customer satisfaction (Zeithaml, Berry, & Parasuraman, 1996).

CS refers to the customers' positive feelings and emotions regarding the service in relation to personal expectations of service performance (Rust & Oliver, 1994). Kotler and Caslione (2009) defined satisfaction as "a person's feeling of pleasure or disappointment resulting from comparing a product's performance in relation to his or her expectations". CS occurs when individuals get positive value from the product or service (Rust & Oliver, 1994).

Previous studies demonstrate that perceived SQ play the role of antecedent of CS in service industries (e.g., banking, hospitals, education sector, airlines, and hotels) (Han, Kwortnik, & Wang, 2008; Han & Hyun, 2017; Ramanathan & Ramanathan, 2011).

Based on the expectancy disconfirmation theory, customers' post-purchase satisfaction occurs when the service provided by the service organization exceed customers' personal explains regarding this service (Oliver, 1980). Therefore, high quality service provided by hospitality organizations leads to CS. Accordingly, the following hypothesis is proposed:

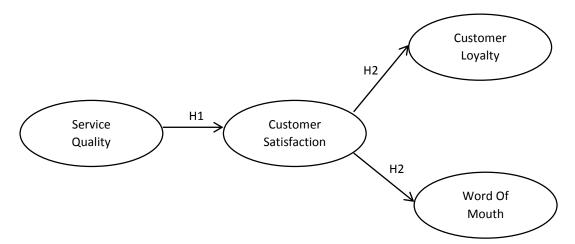
H1. SQ positively influence CS.

#### Customer Satisfaction, Customer Loyalty, and Word of Mouth

CL remains to be the hot research topic in the tourism and hospitality literature as loyal customers brings benefits for the service organization (e.g., increase profit, reduce marketing costs, increase sales) (Nam, Ekinci, & Whyatt, 2011). CL refers to willingness of individuals to repurchase the product or service from the particular service organization, which is chosen among the great number of substitutes, and to spend more for these services (Chen, Yeh, Huan, 2014).

The concept of WOM describes the individual recommendations and information sharing during consumer-consumer relationships (Bergman, 1993). Through WOM the information regarding the particular services is exchanged in private conversations between the individuals who has already experienced or has intention to experience the product or service (Godes & Mayzline, 2004).

#### Figure 1: Conceptual Model



Satisfied and loyal customers bring financial benefits to the service organization, as attracting new customers costs a lot more rather than retaining and keeping the current ones (Reichheld, 1996). Based on the expectancy disconfirmation theory (Oliver, 1980), customer who are satisfied with the service have stronger intentions to repurchase the service and recommend the service organization to other people around by displaying positive WOM (Hu, Kandampully, & Juwaheer, 2009; Hussain et al., 2015; Jaiswal & Niraj, 2011; Jen, Tu, & Lu, 2011).

Prior studies demonstrated the positive relationships between CS and CL (Luarn & Lin, 2003; Bowen & Chen, 2001; Keiningham, 2007; El-Garaihy, 2013). There researches suggest that customers who are satisfied with the service usually stay loyal towards the organization. At the same time, scholars demonstrate the strong and positive connection between CS and positive WOM. Accordingly, the following hypothesis is proposed:

H2. CS has significant effect on (a) CL and (b) WOM.

#### Methodology

#### Setting and Sample

Quantitative research method has been applied in for the relationships' investigation between the variables. Data was collected from the sample of tourists form 4 5-star hotels in Belek, Antalya, Turkey during three weeks in summer 2016. Self-administrate questionnaires in English have been distributed to the participants. The pilot study has been conducted in order to ensure that all the questions are clearly understood by the participants. Ten tourists were participated in the pilot study. After pilot study, the entire questionnaires have been distributed to the participants directly. Out of 216 distributed questionnaires, 200 valid questionnaires were returned, what represents 92.6% response rate.

#### Measurement

All the measures of the investigated variables are adopted from the relevant literature. SQ was measured with 22 items by Parasuraman et al. (1988). CS was measured with 5 items and WOM was measured with 3 items adopted from Cronin, Brady, & Hult (2000). CL was measured using 3 items scale from Baker and Crompton (2000).

#### **Results and Findings**

#### **Respondents Profile**

The sample represents 104 males (52%) and 96 female respondents (48%). The majority of the participants (40%) were aged between 28 and 37. With respect to respondents' marital status, 55.5% were single or divorced. The majority of respondents have vocational school degree (43%). Out of 200 respondents 92 have 2 or 4 kids (46%).

Table 1. Respondent Profile (II–200)		
	Frequency	<u>%</u>
Age		
18-27	34	17.0
28-37	80	40.0
38-47	59	29.5
48-57	27	13.5

Table 1: Respondent Profile (n=200)

Total	200	100.0
Gender		
Male	104	52.0
Female	96	48.0
Total	200	100.0
Marital Status		
Single or divorced	111	55.5
Married	89	45.5
Total	200	100.0
Education		
High School	51	25.5
Vocational school	86	43.0
Undergraduate	56	28.0
Master or PhD degree	7	3.5
Total	200	100.0
Children		
None	26	13.0
1-2	61	35.5
3-4	92	46.0
More than 5	21	10.5
Total	200	100.0

#### Results

Table 2 provides the results by exploratory factor analysis, which was used for items examination. Two items from empathy and one item from WOM were cut for the further analysis due to cross loadings and creating a distinct different factor. After eliminating these items, the rest were positioned on their own dimension. Factor loadings ranged from 0.51 to 0.97. All eigenvalues stood above one. The items totally explained 78.18% of the variance. Convergent validity has been demonstrated for all items.

### Table 2: Scale Items, Exploratory Factor Analysis

Scale Items	Standardized Loading	Eigenvalue	% of Variance
Customer Satisfaction		14.83	47.86
It is important that I am pleased with my visit to most hospitality services.	0.84	14.05	47.00
The performance of most hospitality services should meet my expectations.	0.84		
Services provided by hospitality service providers should be exactly what I			
needed.	0.81		
It is important that my visits to hospitality services turn out to be wise decisions.	0.80		
Overall, it is important that I am satisfied with my visit to hospitality services.	0.71		
<u>Reliability</u>		2.04	6.59
The hotel provides its services at the time it promises to do so	0.77		
Employees of the hotel tell you exactly when services will be performed	0.76		
The hotel performs the service right the first time	0.71		
When you have a problem, the hotel shows a sincere interest in solving it	0.70		
When the hotel promises to do something by a certain time, it does so	0.67		
The hotel insists on error-free records	0.65		
Tangibles		1.86	6.00
The hotel's employees are neat-appearing	0.74	1.00	0.00
Materials associated with the service are visually appealing at the	0.73		
The hotel's physical facilities are visually appealing	0.69		
The hotel has modern looking equipment	0.63		
The noter has modern tooking equipment	0.05		
<u>Customer Loyalty</u>		1.59	5.13
I will recommend the hotel to other people.	0.73		
I will revisit the country and participate in the hotel in the future.	0.71		
I will tell good experiences from the hotel to other people.	0.65		
Assurance		1.13	3.65
Employees of the hotel are consistently courteous with you	0.77	1.10	5.05
Employees of the hotel have the knowledge to answer your questions	0.73		
The behavior of employees of the hotel instills confidence in customers	0.66		
The hotel has operating hours convenient to all its customers	0.51		
The noter has operating nours convenient to an its customers	0.51		
Responsiveness		1.06	3.42
Employees of the hotel are never too busy to respond to your requests	0.74		
Employees of the hotel are always willing to help you	0.74		
Employees of the hotel give you prompt service	0.72		

Scale Items	Standardized Loading	Eigenvalue	% of Variance
The hotel has employees who give you personal attention	0.68		
Employees of the hotel have the knowledge to answer your questions	0.67		
The hotel has your best interest at heart	0.54		
Word of Mouth		0.82	2.65
Would be glad to refer other travelers	0.97		
Would recommend to those who are planning a vacation	0.96		

Note: KMO measure of sampling adequacy is 0.92. Bartlett's test of sphericity is 5982.08 (p<0.01). The study variables account for 78.18% of the variance.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Age	1													
Gender	01	1												
Education	.03	.18*	1											
Marital	.01	13	.01	1										
Children	04	.05	12	.06	1									
TAN	11	05	05	04	10	1								
REL	06	02	02	.05	.01	.66**	1							
RES	09	03	09	.06	03	.59**	.63**	1						
ASS	08	.02	04	.09	02	.54**	.63**	.53**	1					
EMP	05	01	12	.07	.04	.64**	.70**	.61**	.72**	1				
SQ	09	02	08	.05	03	.82**	.86**	.82**	$.80^{**}$	.87**	1			
CS	14*	05	05	.01	07	.61**	.55**	.55**	.54**	.63**	.69**	1		
TL	.02	.04	- .14*	.06	.06	.57**	.64**	.61**	.66**	.75**	.77**	.63**	1	
WOM	.11	.05	.04	06	06	.23**	.18*	.16*	.21**	.20**	.23**	.15*	.26**	1
Mean	0.48	2.4	3.1	1.45	2.54	4.25	4.19	4.17	4.28	4.27	4.23	5.91	5.94	3.46
Standard	0.50	0.92	0.82	0.50	0.85	0.70	0.69	0.78	0.62	0.70	0.58	1.00	1.25	2.26
deviation														
Cronbach's alpha	-	-	-	-	-	0.87	0.91	0.85	0.84	0.91	-	0.93	0.92	0.75

Table 3: Means, Standard Deviations, Reliability, and Correlations of Study Variables

*Note:* Composite score was computed for each variable. \*\*p<0.01, \*p<0.05 (two-tailed test). TAN: Tangible, REL: Reliability, RES: Responsiveness, ASS: Assurance, EMP: Empathy, SQ: Service Quality, CS: Customer Satisfaction, TL: Tourist loyalty, WOM: Word of mouth

#### Discussion

#### Theoretical Implications

The results of the current study provide contribution to the hospitality management literature. Firstly, tourists with different backgrounds (e.g., nationality, culture) have difference perception of the SQ concept. This study supports the great importance of SQ within multicultural tourism settings in Antalya.

Secondly, the results from this research demonstrate the positive relationships between perceived SQ, CS and their post-purchase behavior. Tourists who are satisfied with the SQ stay loyal to the organization and promote positive WOM about the organization by recommending this organization to colleagues, friends, family members, and other who they have direct or indirect communication with.

#### Managerial Implications

The results of this research provide practical implications for tourism businesses. First of all, understanding the concept of SQ and its different perception among tourists from different countries is one of the key success factors, which could enhance CS. Therefore, hotel managers should investigate the needs and wants of their target customers and shape the service accordingly.

Secondly, tourism managers should focus on CS by improving SQ on all level of the organization in order to meet customer expectations and minimize the gap between customer expectations and organizational actual performance by continues improvement of the service delivery strategies and updating the technological aspects of services.

Thirdly, as frontline hotel employees are the once who interact with customers, their behavior significantly influence customers' perception of the SQ, therefore managers of hospitality organizations should increase frontline hotel employees' understanding regarding SQ concept and its importance by continuously providing trainings and seminars to improve employees' skills, which are highly important while employee-guests' interactions.

#### Limitations and Future Research Directions

This research has limitations, which have to be taken into consideration for future researches. First of all, this study concentrates on CL and positive WOM as the outcomes of CS. However, future researches could investigate other desirable consequences of CS (e.g., repurchase and revisit intention).

Secondly, the data for the current study has been obtained from only one tourists in Turkey-Belek, Antalya. Hence, this conceptual model could be tested in other touristic cities in Turkey (e.g., Bodrum, Kemer, Marmaris) or even other countries. Thirdly, the current study concentrated on hotel sector, therefore, this research model could be investigated within other service settings (e.g., airlines, cruise lines). Lastly, the sample of the current research consisted of only tourists visiting 5-star hotels. However, the matter of SQ could be differently associated with CS, CL, and WOM. Therefore, the further studies could investigate the conceptual model of SQ and its outcomes in 3- and 4- stars hotels.

#### Conclusion

The present study conducted among tourists in Antalya, Turkey, demonstrate that SQ provided by hotels is positively related to CS, which in turn encourage positive WOM and loyalty towards the hospitality organization. This research confirms the mediating role of CS in the above-mentioned relationships. Therefore, minimizing the gap between customer expectations and the service experience should be the matter of concern for hotel managers in order to ensure high-quality service, achieve CS, build strong relationships between hotel and its guests, and generate positive WOM.

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## LESBIAN, GAY, BISEXUAL AND TRANSGENDER (LGBT) A LUCRATIVE MARKET SEGMENT FOR SMALL ISLAND DESTINATIONS

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#### Abstract

As stated by the United Nations World Tourism Organisation (UNWTO), today there is a rise in Lesbian, Gay, Bisexual, Transgender and Intersex (LGBT) travel and tourism worldwide and this market segment represents great economic potential to destinations that work towards attracting it. The increasing rise in demand from the LGBT market segment for destinations that cater for their needs as well as an increase of promoters that openly target the LGBT market, gives rise to controversial and complex debates in contemporary society. Hence, since LGBT is still a subject of controversy, even in the most so called open and developed societies it is not well accepted in certain destinations, rendering the development of the LGBT tourism product a difficult task. Some destination have understood the potential this market generates and have developed their tourism product to meet the needs of that particular market segment. However, due to the nature of the LGBT market, other destinations do not necessarily make attempts or develop their tourism product and services to meet the needs of this market, in an effort to increase and or sustain tourist arrival at destinations and subsequently remain competitive. Therefore the challenge remains for destinations to develop its tourism products in order to attract this new emerging market segment. This study thus explores the LGBT market segment for an island destination.

Key words: LGBT, destination, tourist arrivals

#### Introduction

Like any other forms of contemporary niche markets, the Lesbian, Gay, Bisexual and Transgender (LGBT) market is a segment worth considering in the tourism industry (Southhall & Fallon, 2011). Today there is a rise in LGBT travel and tourism worldwide and destinations are making an attempt at attracting the LGBT tourists. In order to remain competitive and increase and/or sustain tourist arrival, a destination has to either diversify its product or find new emerging market segments.

Destinations, therefore need to develop their tourism products in order to attract the new emerging market segment identified. LGBT tourism represents great economic potential to destinations that work towards attracting this market segment (UNWTO, 2012; Melián-González et al. 2011). The increasing rise in demand from the LGBT market segment for destinations that cater for their needs as well as an increase of promoters that openly target the LGBT market, gives rise to controversial and complex debates in contemporary society. The LGBT market is still a subject of controversy even in the so called open and developed societies. Hence, since LGBT is still a subject of controversy it is not well accepted in certain destinations, rendering the development of the LGBT tourism product a difficult task. The literature suggests that little research that has been conducted on gender tourism. Although most LGBT tourists prefer to consume beach tourism (Pritchard, Morgan, Sedgely, Khan, & Jenkins, 2000), studies exploring the potentials and challenges faced by small island developing states (SIDS) to develop this type of tourism remains scant. This study thus explores the LGBT market segment for an island destination.

Over the years Mauritius has been well established as a sun, sand and sea destination, very much sought after by mostly families and honeymooners (Seebaluck, Ramseook-Munhurrun, Naidoo & Rughoonauth, 2015). The economy of Mauritius rests largely on the tourism industry and competition from similar island destinations greatly influences the economic prosperity of this industry. The LGBT is known to be a financially important market for the travel and tourism sector. However, this market segment is striving to find its place in today's society and therefore amongst holiday destinations. Homosexuality being a taboo subject in many countries, LGBT tourism services may be timidly developed in certain island destinations. Like any other market segments, the LGBT market segment are in search of destinations that would openly welcome and cater for their specific needs (Berezan, Raab, Krishen & Love, 2015). Some tourism destinations and travel operators have well understood this and have gone to great lengths to develop product and services to attract this niche market segment even proving dedicated gay spaces on their countries websites (Coon, 2012; Dixon, 2015; Lubowiecki-Vikuk, & Borzyszkowski, 2016). However, the LGBT community is facing many problems, chiefly of a cultural and social nature (Barrett, Pollack, 2005; Lubowiecki-Vikuk, & Borzyszkowski, 2016) and are hence cautious of the destination they are to choose for their holidays. Communities of Island destination may be or not be tolerant of LGBT tourism due to cultural differences (Couzens, Mahoney & Wilkinson, 2017). Hence despite being viewed as a lucrative market, LGBT tourism may be faced with cultural, legal and safety issues for its wide acceptance and development (Southall & Fallon, 2011).

The literature has revealed that limited studies have attempted to explore the LGBT tourism market (Wong & Tolkach, 2017). To gain better insight of this emerging market, this study thus explores the views of a few key stakeholders involved in marketing and developing Mauritius as a tourism destination, on the potentials and challenges faced by small island developing states (SIDS) to develop this type of tourism.

#### Literature review

LGBT terminology in academic research broadens the common terminology of "gay tourism" which is somewhat restrictive to gay men and lesbian whereas LGBT covers other markets of "gay tourism" (Southall & Fallon, 2011). The terminology used for this paper is in accordance with the InterPride Organisation that includes bisexual, transgender and intersex in their market segment for events organization (InterPride, 2017) and is an internationally recognized body that acts as an educator in elevating community in Pride organization globally. Similarly, International Gay and Lesbian Travel Association (IGLTA) supports the gay community through "education, research and leadership development that benefits the global LGBTQ tourism industry" (IGLTA, 2017). In fact, the LGBT market can expand to include all the gay communities that is: Lesbian, Gay, Bisexual, Transgender, Transsexual, Two-spirited, Queer, Questioning, Intersex, Asexual and Ally, but academic research mostly uses either 'gay tourism" or LGBT to define this market segment.

#### A niche market

There is little statistical record to say how much really is the contribution of the LGBT market to the tourism industry (UNWTO, 2012). According to the UNWTO (2012), these statistics exists in small quantities as they are gathered by independent statistics firm and very few destinations. But the LGBT or PINK or DINK market segment with the later acronym standing for Dual Income No Kids (DINK) segment has been largely recognized as being high spenders and therefore renders this market segment as a lucrative one for destinations. There is a net increase in travel demand form the LGBT market as they have expressed the desire to take more trip compared to their average annual trip of 3.6 (Lubowiecki-Vikuk, & Borzyszkowski, 2016; UNWTO, 2012; Community Marketing, 2011; Southall & Fallon, 2011). In an era, where tourism is highly competitive and the tourism products and services highly interchangeable, business need to devise mechanism to attract and retain particular market segments (Berezan, Raab, Krishen & Love, 2015). For instance, American Airline, as well as the British Tourist Board and San Francisco, have devised strategies to specifically cater for the LGBT market (Southall & Fallon, 2015; Lubowiecki-Vikuk, & Borzyszkowski, 2016).

LGBT tourism is one of the most attractive and fastest growing niche markets in the world, quite resistant to economic turbulences (Otero Paradela *et al.*, 2014). This makes it even more attractive for the SIDS to be able to tap into this market due to the volatility of their economies and dependency on Macro factors which heavily impact on their economy.

#### LGBT and Tourism

The main idea behind the development of the LGBT tourism was purely based on the recognition of that market segment as a lucrative one (Forga & Canoves, 2015; Southall & Fallon, 2011). The LGBT tourist like any other tourist endeavor into tourism activities similar to heterosexuals (Kollens & Lazar, 2012; Forga & Canoves, 2015), but due to the homosexual community they belong to, their presence is not always welcomed across the world (Southall & Fallon, 2011). In fact, according to Ottosson (2010), 76 countries were identified where homosexual acts were

forbidden. These counties were most from the Asia and African region. However according to the IGLTA Foundation, it subsidizes association memberships for small LGBT-friendly tourism businesses in emerging destinations, i.e. places that lack governmental support or LGBT infrastructure and this programme have added members in Montenegro, Romania, Serbia, Cambodia, China, Indonesia, Singapore, Sri Lanka, Vietnam, Colombia, Ecuador, Peru, Trinidad, and Jamaica. This serves to say that despite homosexuality being regarded as an illegal activity, some countries are still being considered by the IGLTA to cater for the LGBT market by supporting business development that would cater for the needs of the LGBT market. Similarly laws have been proclaimed in order to protect the LGBT community (Southall & Fallon, 2011). Therefore, the choice of the holiday destination form the LGBT market would be highly based on destination that are tolerant towards the gay community (Southall & Fallon, 2011, Forga, et al., 2015, Wong & Tolkah, 2017). There may also be reticence on the part of the LGBT community to go to destinations that would ghettoize them or make them feel insecure (Southall & Fallon, 2011; Coon, 2012). The current need to address gay space in tourism has been debated (Vorobjovas- Pinta, & Hardy, 2016) as with the advent of new technology and the development of applications, the LGBT market's need for physical gay space has significantly decreased for today's modern LGBT tourist.

#### SIDS and LGBT tourism

The SIDS and East Africa mainland countries, particularly islands, are associated with sea, sand and sun - all features of the coastal and marine environment that attract tourists (Ragoonaden, 2016). Although tourism has immense potential to enhance socio-economic development and contribute to environmental rehabilitation, it also has a wide range of negative social and environmental impacts (Sharpley & Ussi, 2014; Seebaluck et al., 2015). The tourism industry of Mauritius is one of the main contributors to the Gross Domestic product of the country at the moment and is one of the pillars of the economy. Tourism is regarded highly by the Mauritian Government and placed at the centerfold among the most catered for Ministry which delegates some of its power of operation to the Mauritius Tourism Promotion Authority (MTPA, 2017). Sun, sand, sea are the main attributes of small island destinations including Mauritius, who have encouraged enclave resorts development (Naidoo & Sharpley, 2015) and focused largely on market niches such as weddings and honeymoons or adventures as a way of increasing tourist arrivals to the destinations. The island consists of a multi-ethnic population reflected in the trends of sociocultural events, religious festivals, and also politics where religion and traditions plays major roles in the Government. This is reflected in tourism trends and the types of tourism products the Government, through Ministries or Destination Management Organizations try to look at. However, destinations such a Mauritius still remains conservative in its attitude towards the gay community. Despite laws that protect the LGBT community, the show casing of this community in an overt way as a niche market for increasing tourism arrivals is debatable.

#### Methodology

An exploratory qualitative approach was considered appropriate to gain an in-depth understanding into the LGBT topic with key players of the tourism industry. This qualitative research involves

interviewing key stakeholders involved in marketing and developing Mauritius as a tourism destination, in the view of finding out their perspectives regarding LGBT tourism as a potential market segment. Respondents were asked about this potential market and if there is a need for policy and strategies for such a market. Using content analysis, the responses gathered from the in-depth interviews were analysed to explore the potential and challenges of potentials and challenges faced by small island developing states (SIDS) to develop LGBT tourism.

#### Discussion

Past studies have significantly stressed on the economic gains in attracting the LGBT market segment (Melián-González et al., 2011; UNWTO, 2012; Vorobjovas- Pinta, & Hardy, 2016) for tourism development. The literature has also uncovered the need for destination to develop targeted strategies to attract LGBT tourist to their destinations provided it is safe and welcomes their community. Four themes emerged when examining the qualitative data and they are explained below.

#### Marketing Challenges

From the findings of the study, it has been pointed out that in terms of product differentiation, the LBGT market segment seeks the same types of products and services as would heterosexual. However, when it comes to seeking for information, the LGBT community would also consult the various websites of LGBT associations to search for the holiday destinations, since they trust their association website to lead them to LGBT friendly destinations. Despite Mauritius having one main LGBT travel ground handler whose website markets holidays to the island, there are no governmental strategies that have been put into place yet to directly target the LGBT market to Mauritius. It was found that hotels and travel agents and tour operators alike do not directly and overtly market their products and services to the LGBT tourists. The local travel ground handler catering for the LGBT market, however, has expressed that on the international front, Mauritius is not sufficiently visible as an LGBT friendly destination due to the lack of governmental support in this endeavor. Nonetheless, local LGBT Associations are working with international organizations in staging international LGBT events in Mauritius. The study found that there exists tour operators who specifically market Mauritius to the LBGT segment but during national road shows for the promotion of Mauritius abroad, the study revealed that tourism companies from Mauritius attending international tourism fairs would rather market their products and services under the banner of the IGLTA so as to gain more visibility from the LGBT market segment. Furthermore, the study found that this lack of particular attention in attracting the LGBT market is simply because there is no official recognition of this segment from destination managers. The destination does not want to specifically differentiate itself as an LGBT destination as it might provide a narrow positioning of the destination and might deter other lucrative segments such as families and other potential geographic segments such as Africans, Asians and East European segments to visit the destination. Therefore, stakeholders were in the opinion of "why pin-point the destination as LGBT" when it could be positioned to target wider segments whilst indirectly considering LGBT.

#### Policy Challenges

Although the law of Mauritius is clear with regards to protecting the LGBT community, the findings reveal that there is no policy framework to specifically support the development of LGBT tourism in Mauritius. This difficulty is based on the fact that the laws in Mauritius are not as flexible with regards to the homosexual community as other countries such as South Africa for instance.

#### Societal Challenges

The findings consequently pointed out that there is no problem regarding sexuality acceptance as the Mauritian society has moved to become more tolerant towards the LGBT community. However, the respondents also highlighted that Mauritius has a long way to go with openly accepting such a market as the destination still remains quite conservative in nature. One of the respondents highlighted that the LGBT tourist may lead to social disapproval and subsequently be subject to prejudice from the local society. This may lead to discrimination experienced by LGBT tourist and can result in a negative effect on their destination experience.

#### Hotel Challenges

Respondents expressed that their marketing efforts does not focus on the LGBT market and do not customize their service offerings for this niche market. According to them, the needs and expectations of LGBT guests may be quite different from those of other segments, such as traditional families, business travellers, and honeymooners, especially in relation to service. Furthermore, the hotel environment also has to provide an environment which supports the LGBT guests and make them feel comfortable with the other guests and employees, hence catering for all types of different needs which could make one market segment feel uncomfortable poses as a challenge.

#### Conclusion

This study provides an understanding of the LGBT market in a SIDS and examines its challenges to attract this market segment to an island destination. This shyness towards the LGBT market is due to the fact that overtly promoting their services and products to the LGBT community may result in social disapproval and prejudice of the local society. For these particular reasons it was found that although stakeholders recognized the economic potential of the LGBT segment, service providers and DMOs alike yet remain quite comfortable with their existing marketing and promotion campaigns, as gay tourism is still considered as a taboo subject in Mauritius. Moreover, it is also believed that it might not be necessary to specifically target this market as wider marketing campaigns may indirectly be targeting this segment. This feeling is not shared by local LGBT Associations who want government and service providers to recognize the LGBT market segment and openly advocate Mauritius as a LGBT friendly destination.

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# SAFETY AND SECURITY AT DESTINATIONS: A CRITICAL REVIEW

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#### Abstract

The purpose of this paper is to provide a critical review of existing knowledge pertaining to safety and security at destinations and to establish an agenda for future research. The paper gathers information from previous published research through a systematic literature review that focuses on destination safety and security. In total, 98 relevant articles were identified, analysed and synthesized through a structured keyword search. The research found that the existing literature recurrently uses the words, "risk" and "crisis" as a safety and security terminology to address safety and security issues at destinations. The current study found that safety and security cannot be considered as a stand-alone construct. This critical review provides ground for stakeholders to further understand the impacts of safety and security on tourism and identify gaps in the existing research. The literature on safety and security at small island destinations is rather scant compared to destinations in larger developing countries. Also further empirical investigation is required to assess the safety and security and risk factors at a destination and their impacts on destination image, attractiveness and decision-making.

Key words: safety and security, risks, destinations, tourism, small islands

#### Introduction

In the last fifteen years there has been an array of events that have had an impact on travel and tourism activities rendering destinations as potentially risky. Safety and security phenomenon have shaken the travel and tourism industry causing tremendous prejudice to destinations (Aminudin et al., 2014; Artuger, 2015; Garg, 2015; Hall, 2012). Over the years, literature has addressed a wide range of safety and security issues related to the travel and tourism industry and a plethora of research in this field has significantly increased ever since the 9/11 event (Yang, Khoo-Lattimore and Arcodia, 2017; Korstanje, 2011; Kovari and Zimányi, 2011; Popescu, 2011). According to the review, pandemics, wars, terrorism, crimes, natural disasters are significant safety and security concerns for the travel and tourism industry. In recent years these events have been largely researched in a wide variety of contexts, more precisely in destinations that have very often been subject to safety and security issues or even been labelled as volatile or vulnerable (subject to natural disasters or weather conditions) destinations (Ridderstaat and Nijekamp, 2016; Becker, 2014; Boakye, 2012; Fuchs and Reichel, 2011). Initial research has focused on safety and security as being two dimensional but with the rise in safety and security issues it has evolved to a

multidimensional field of research (Kovari and Zimányi 2011). Safety and security dimensions as well as risk dimensions have been identified in the reviewed research. Safety and security and risk research has been trying to gauge understanding from a business, consumer, policy making, media and educational perspective. The current critical review of the literature found that research in safety and security influences tourism in 22 different ways. The existing research revealed that well-established Asian, European and Sub-Saharan African destinations are subject to recurrent safety and security issues and most of the studies have emerged from these contexts. Hence a gap prevails in research on safety and security issues in small island destinations, as literature is scant in this context, as island destinations are vulnerable to natural disasters and weather conditions and also subject to safety and security issues that heavily impact on its tourism industry. Future research could use all the safety and security as well as risks dimensions in one study to measure its impacts on the tourist destination.

#### Methodology

The existing literature that focuses on safety and security in tourism were systematically reviewed and analysed. The research articles for this review were chosen based on certain criteria. Firstly the articles under review were published during the period 2011 and 2017 that is 10 years after the first 'tsunami' of research addressing safety and security in the tourism industry that followed the 9/11 event. This time frame was chosen to identify how safety and security research has evolved and what were the implications that were of most concern for the tourism industry. Secondly the research titles needed to consist of a combination of the key words identified for this study; that is safety and security, crisis, risk in tourism destinations. Thirdly published journal articles on tourism safety and security were exclusively considered so as to ensure consistency and reliability in the research. Hence for this particular research a total of 98 papers from a variety of research journals were selected but widely cited by safety and security related research. Google Scholar was used as search engine to identify as many publications on destination safety and security as possible and full papers were examined. The articles selected did not include books or chapters in books on the subject.

The safety and security issues were categorized into themes such as wars, political unrests, terrorism, crime, natural disasters, epidemics, risk, crisis, diseases, accidents, food safety, personal safety and weather. Table 1 is a summary of research findings of a total of 98 different articles that were identified for the review and from which was extracted the safety and security issues that were pertinent to the context in which the research had emerged. The risk categorization is as per Jonas & Mansfeld (2017) as it was found to encompass into 3 distinct categories the 5 to 23 risk dimensions that were identified by the works of Kapuscinski & Richard (2016); Cui et al., (2016) and Yan et al. (2017). The question that was identified for this research was "what were the implications of safety and security for tourism?"

Table 1: Safety & Security in tourism research: period 2011 to 2017

Theme	No. of publications
Safety & Security (War, Terrorism, Crisis, Natural disasters, diseases, personal safety, weather, food safety, political instability, accidents)	55

#### **Critical review**

In today's era, every destination is subject to safety and security concerns or are at risk of safety and security issues or may even face safety and security crisis situations. The literature on the subject has been found to be quite vast and varied in terms of quantity of publications between 2011 and 2017 as seen in Table 2 ranging from a fair amount of research that have looked at providing purely theoretical knowledge to more practical outputs. A total of 47 destinations were subject to safety and security research and/or whose population sample was used to respond to safety and security issues. The range of destinations from which these research were based were varied ranging from well developed countries to developing countries as seen in Table 2. Furthermore, from Table 2, it can be seen that destinations in countries such as Thailand, India, South Africa and Israel were at the focal point of safety and security research with more than five research each over the span of 7 years and 2013 was the year in which most publications were found. It is not surprising that these destinations attracted much research attention as the review found that they were mostly termed as risky or volatile destinations. The review also found that the safety and security issue that was salient for these four destinations for instance, was crime. In fact crime was found to be either the cause for safety and security concerns for the tourism industry according to some research (Table 4), whereas other research put tourism as the reason for the prevailing criminal activities at destinations.

No.	Destinations	Total	2011	2012	2013	2014	2015	2016	2017
1	Aruba	1					1		
2	Australia	2	1		1				
3	Bangladesh	1	1						
4	Barbados	1			1				
5	Bosnia Herzegovina	1			1				
6	Canada	1	1						
7	Caribbean	2		1	1				
9	Columbia	2			1		1		
10	Egypt	3						3	
11	Everest	1						1	
12	Finland	2	1	1					
13	Ghana	2		1			1		
14	Greece	2	1					1	
15	Hawaii	1			1				
16	India	6	1			2		3	
17	Indonesia	1						1	
18	Iran	1		1					
19	Israel	5	2		2				1
20	Italy	4		1		2		1	

Table 2: Yearly and number distribution of Destinations where safety and security research emerged

21	Jamaica	1		1					
22	Japan	1				1			
23	Jordan	1						1	
24	Kashmir	1					1		
25	Kenya	2			2				
26	Madeira	2		1				1	
27	Malaysia	4		1		1	2		
28	Mauritius	1	1						
29	Mexico	1		1					
30	Middle East	2			1	1			
31	Morocco	1						1	
32	Nepal	1	1						
33	Norway	1				1			
34	Pakistan	1			1				
35	Portugal	1				1			
36	Romania	1	1						
37	Singapore	1				1			
38	South Africa	6	1	2	2	1			
39	Spain	3		1		2			
40	Sub S. Africa	2		1					1
41	Thailand	7	1	2	2	1	1		
42	T-Sub tropical	1		1					
43	Turkey	5	1		2		1	1	
44	Uganda	1	1						
45	UK	5	2		1	2			
46	USA	4	1	2	1				
47	USA/Mexico Boarder	2			1		1		
	Total	98	18	18	21	16	9	14	2

<sup>\*</sup>Some research focused on more than 1 destination and the table excludes conceptual papers

Indeed crime has been found, throughout the review, to have highly been researched on as shown in Table 3 as out of the 98 article reviewed crime has been addressed by almost a third of them. It can also be seen that only 7 island destinations, representing a mere 14% of the total number of research during 2011 and 2017, were subjected to safety and security research in the tourism field leaving much room for further research in island destinations contexts.

Research has identified the evolving nature and complexity in safety and security issues (Kovari & Zimányi, 2011) which has now become multidimensional as the different research reviewed considered more than two dimensions of safety and security as seen in Table 3. Interestingly, the word safety and security has been found to be simultaneously and interchangeably used with the terms "risks" and "crisis", hence used to represent the same concerns (Pennington-Gray& Schroeder, 2013; Cui et al., 2016). Korstanje's (2011) discourse on the definition of risk in the tourism literature provides some insightful explanation for the use of the "risk" terminology. According to findings, the term emerged in the tourism literature post 9/11 events. Research posits on the fact that "Risk" is exogenous hence not actual reality and thus a mere ongoing state of alarmism. Safety and security covers issues such as war, crime, terrorism, food safety, health, natural disasters and protection, political (in) security, violence, personal safety, accidents and weather safety as main areas of safety and security concerns for the tourism industry as per Table 2. Safety being any physical harm that can be inflicted to tourist in accidents and security being

any potential damage a visitor can suffer, "risk" is the potential hazards that can affect the visitor experience. The outright definition of Safety and Security therefore has been found to overlap with that of risks (Korstanje, 2011; Yang and Nair, 2014) and consequently different sub sets of safety and security and risk issues were identified over the years as per Table 2. "Risk" now forms part of the safety and security literature. "Risk" issues were found to be associated with finances, physical, political, self-behaviour, site-related physical risks, equipment failure, weather, cultural barriers over and above the safety and security issues laid out in Table 2. The review also found that the terms "crisis" was used fairly to express the safety and security concerns that can turn or have turned to crisis situations as destinations, such as natural disasters, terrorism, political instability and accidents (Hajibaba et al., 2016). As seen from the Table 2, Crime, Risk, Terrorism attracted significant research interest over the past 7 years as this is due to the fact that these three safety and security issues are interrelated. Political instability, natural disasters and diseases have also received attention in the past 7 years but not as extensively as crime, risk and terrorism since from an empirical perspective given the time frame taken for the current review, despite there being outbreaks (Ebola (2011; 2012; 2014), Zika (2015); Dengue (2012)), literature is yet to emerge in the tourism field.

Types Safety and security	No. of Articles
Crime	33
Violence	12
Natural disasters	13
War	7
Terrorism	25
Political instability	17
Accidents	4
Food safety	3
Personal safety	10
Diseases	11
Crisis	12
Risk (environmental, semi & fully-controlled)	46
Weather	3

Table 3 Types of safety and security dimensions that were identified from the review

\*More than one safety and security dimension was considered in a single study

Therefore, significant studies have been carried in order to understand and derive insight of the consequences of safety, security and risk issues at destinations in times of crisis, terrorism, crime, natural disasters, vulnerabilities, diseases, political unrest and address its impacts on the destination. Table 4 gives a condensed overview of the different thematic impact factor on the tourism industry and the different authors that have ventured on the topics to shed understanding on the complex role between safety and security and tourism. From the review as at table 4, 22 concerns as a result of safety and security impacts on the tourism sector were identified. From Table 4 it is evident that travel behaviour, destination image, economic impacts and media and communication strategy have been extensively carried out. Several themes have been considered at the same time in one single research. However it was noted that areas such as competitiveness, quality service, tourist satisfaction, safety and security measures, destination promotion, disaster management, destination attractiveness and destination branding, although important to the development and prosperity of the tourism industry have been less researched on.

Thematic	No. of Articles	Journal Articles
Competitiveness	2	Popescu (2011); Michailidou, Vlachokostas & Moussiopoulos (2016)
Tourist	7	Güres, Demirer, Aldemir, Tayfur, & Arslan (2011); Prayag (2011); Baker (2013);
Satisfaction		Aminudin, Rahim & Nor (2014); George & Booyens (2014); Adam, (2015);
0		Morakabati, & Kapuściński (2016)
Quality service	2	Boakye (2012); Hall (2012)
Safety and	3	Kovari & Zimányi (2011); Moyo & Ziramba (2013); van Niekerk & Pizam (2015)
security		
measures		
Crime	4	Anuar, Bookhari & Aziz (2012); Moyo & Ziramba (2013); Perry & Potgeiter (2013);
prevention		Biagi & Detotto (2014)
strategy		
Crisis	9	Tarlow (2011); Rittichainuwat & Chakraborty (2012); Machado (2012); Speakerman
management		& Sharpley (2012); De Sausmarez (2013); Avraham (2013); van Niekerk & Pizam
planning		(2015); Mair et al. (2016); Michailidou, Vlachokostas & Moussiopoulos (2016);
Media &	14	Chiu & Lin (2011); Wichasin, & Doungphummes (2012); Machado (2012); Björk,
Communication		& Kauppinen-Räisänen (2012); Pennington-Gray& Schroeder (2013); Avraham
strategy		(2013); Schroeder Pennington-Gray (2014); Ghaderi, Mat Som & Henderson (2015);
		Korstanje & Clayton (2015); van Niekerk & Pizam (2015); Garg, (2015);
		Kapuściński & Richards (2016); Avraham (2016); Avraham & Ketter (2017)
Information	6	Jonas, Mansfeld, Paz & Potasman,(2011); Björk, & Kauppinen-Räisänen (2011);
search		Pharino (2012); Zimmermann, Hattendorf, Blum, Nüesch, & Hatz (2012);
	10	Sharifpour, Walters, Ritchie, & Winter (2014); Jonas & Mansfeld (2017)
Destination .	18	Hai & Chik (2011); Lepp, Gibson & Lane (2011); Larsen (2011); Björk, &
image		Kauppinen-Räisänen (2012); Machado (2012); Avraham (2013); Botterill, Pointing,
		Hayes-Jonkers, Clough, Jones & Rodriguez (2013); Baker (2014); Chew & Jahari (2014); Woosnam, Shafer, Scott, & Timothy (2015); Garg, (2015); Chapuis, Le
		Falher & Gonzalez (2015); Chahal & Devi (2015); Vang, Sharif, & Khoo-Lattimore,
		(2015); Mu & Nepal, (2016); Mair et al. (2016); Morakabati, & Kapuściński (2016);
		Avraham (2016)
Revisit intention	10	Chiu & Lin (2011); George (2012); Çetinsöz & Ege (2013); Khajuria & Khanna
	10	(2014); Chew & Jahari (2014); George & Mawby (2015); Artuğer (2015); Chapuis,
		Le Falher & Gonzalez (2015); Kaushik, Agrawal, & Rahman, (2016); Simpson,
		Simpson & Cruz-Milán (2016)
Economic	13	Tarlow (2011); Biagi, Brandano & Detotto (2012); Causevic & Lynch (2013);
impact		Kilburn et al., (2013); Raza & Jawaid (2013); Lorde & Jackman(2013); Baker
•		(2014); Mukesh (2014); Biagi & Detotto (2014); Saha & Yap (2014); Teitler-Regev,
		Shahrabani & Goziker (2014); Brown (2015) ; van Niekerk & Pizam (2015)
Tourism	2	Hajibaba et al., (2011); Bellia, Pilato, & Seraphin, (2016)
promotion		
Risk	3	Lisle (2013); Shaw, Saayman & Saayman (2012) ;Fernandes (2016)
management		
Peace tourism	3	Upadhayaya, Müller-Böker & Sharma (2011); Ojeda (2013); Perry & Potgeiter
		(2013)
Tourism	6	Lepp & Gibson (2011); Saha & Yap (2014); Schroeder Pennington-Gray (2014); van
Planning and		Niekerk & Pizam (2015);Buda (2016); Michailidou, Vlachokostas & Moussiopoulos
Development		
Disaster	3	Tarlow (2011); Ghaderi et al., (2015); Mair et al. (2016)
Management		
Travel	26	Larsen (2011); Jonas, Mansfeld, Paz & Potasman,(2011) ;Fuchs & Reichel (2011);
behaviour		Prayag (2011); Björk, & Kauppinen-Räisänen (2011); George (2012); Korstanje &
		Clayton (2012); Kilburn (2013); Ghaderi (2013); Moyo & Ziramba (2013);

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Table 4 Classification of Safet	ν απαιοτεύτητα το	ESEALCH DV HICHIAUC I	

		Schroeder, Pennington-Gray, Kaplanidou, & Zhan (2013); Karamustafa, Fuchs, & Reichel (2013); Fuchs, Uriely, Reichel & Maoz, (2013); Seabra, Abrantes & Kastenholz (2014); Sharifpour, Walters, Ritchie, & Winter (2014); Williams & Balaz (2014); Yang & Nair (2014); Ghaderi et al., (2015); Korstanje (2015); Mair et al. (2016); Saha & Yap (2014); van Niekerk & Pizam (2015); Som, Aun & AlBattat (2015); Yang, Sharif, & Khoo-Lattimore, (2015); Cui, Liu, Chang, Duan, & Li (2016); Jonas & Mansfeld (2017)
Marketing /	11	Björk, & Kauppinen-Räisänen (2011); Chiu & Lin (2011); George (2012); Reza
Recommend		Jalilvand, & Samiei (2012); Seabra, Dolnicar, Abrantes & Kastenholz, (2013);
		Rittichainuwat (2013); Fuchs (2013); Avraham (2013); Perry & Potgeiter (2013);
		Avraham (2016); Avraham & Ketter (2017)
Destination attractiveness	1	Morakabati, Fletcher, & Prideaux (2012)
Decision	8	Chiu & Lin (2011); Fuchs & Reichel (2011); Pharino (2012); Garg, (2015); Chapuis,
making		Le Falher & Gonzalez (2015); Nugraha, Hamin, & Elliott, (2016); Morakabati, &
		Kapuściński (2016); Cui, Liu, Chang, Duan, & Li (2016)
Tourism	9	Korstanje (2011); Machado (2012); Yang & Nair (2014); Sharifpour, Walters,
research		Ritchie, & Winter (2014); Wolff & Larsen (2014); van Niekerk & Pizam (2015);
		Cui, Liu, Chang, Duan, & Li (2016); Mair et al., (2016); Yang, Khoo-Lattimore, &
		Arcodia, (2017)
Destination	1	Björk, & Kauppinen-Räisänen (2012)
branding		

Throughout the review (Table 4), tourism has been viewed as a system providing accommodation, attraction, leisure and transport. The studies have made it clear that safety and security must be provided and perceived throughout the system at macro and micro level, otherwise tourist will opt for other destination where they would feel safer leading to an impact on destination competitiveness (Popescu, 2011; Lepp & Gibson, 2011; Michailidou et al., 2016). Research have also stressed on the importance of Safety and Security as a prerequisite for tourism development, economic benefits (Tarlow, 2011; Biagi et al., 2012; Causevic & Lynch, 2013; Teitler-Regev et al., 2014; van Niekerk & Pizam; 2015; Schroeder Pennington-Gray, 2014; van Niekerk & Pizam, 2015; Buda, 2016) and enabling tourism businesses and destinations alike to be at a competitive advantage. Research from a tourist perspective have identified that with the advent of increasing safety and security and risks in the world, the notion of being safe and secure at a destination is of paramount importance to any tourist. It was found that despite the increase in travel and tourism worldwide, safety and security and risk factors still have an impact on tourist flows which could have devastating effects on a country's economic stability and the sustainability of the destination. Other research have also identified tourism as an economic generator for many countries especially developing nations as well as being particularly important for island destination. Island destinations' economy have been found to predominantly rest on the tourism sector. Hence addressing safety and security and risks concerns is of paramount importance for any type of destination. Since tourism businesses play a vital role in being fully responsible of all aspects of tourist safety once a tourist has bought his holiday, studies have laid much emphasis on the fact that tourists would not choose a destination if they feel that it is unsafe or pose a potential risk to their safety and security. Tourist's perception of safety will have an impact on its consumption satisfaction (Baker, 2013; Aminudin, Rahim & Nor, 2014; George & Booyens, 2014; Adam, 2015; Morakabati, & Kapuściński, 2016) as the potential for risk of safety and security phenomena would jeopardize and have a repercussion on tourist holiday experience. But it was also found that there is a false sense of safety perception prevailing amongst tourists visiting destinations that are

supposedly risky. This false sense of feeling secure was found to be dependent on tourist's predisposition to safety and security issues and their reason for tourist travel (Larsen, 2011; Korstanje, 2015; Som, Aun & AlBattat, 2015; Jonas & Mansfeld; 2017). Some research have found that despite safety and security and risk issues, some types of tourist will still endeavor into international travel and still visit destination even if it is risky or labelled as 'volatile' because they are the 'risk taker' type tourist. Risk averse tourist are the ones that are most concerned with risk and safety and security issues and hence much harder for the destinations to attract (Yang & Nair, 2014). However, research revealed that, as a general rule, tourists make their travel decisions based on perceptions rather than reality and destinations need to work on the reality that prevails at these destinations as part of their marketing (Chiu & Lin,2011; George,2012;

Seabra et al., 2013; Avraham; 2013; Avraham & Ketter; 2017) and branding strategy (Björk, & Kauppinen-Räisänen; 2012). This had lead research to therefore analyze how tourists would choose a destination based on concepts such as affective and cognitive image and uncertainty reduction of the destination (Jonas et al., 2011). In an era where smart phones gives instant access to information tourists have been found to be dependent on social media to seek for information (Jonas et al., 2011; Björk, & Kauppinen-Räisänen, 2011; Sharifpour, et al., 2014; Jonas & Mansfeld, 2017) prior to booking their travel; during their stay and in times of crisis, so that they can find means and ways to mitigate or avoid the risks that the destinations poses. Media can be viewed as a double edged sword, not only as a negative medium of influence but also be used as a medium which positively promotes (Hajibaba et al., 2011; Bellia, et al., 2016) destinations and helps in destination branding (Björk, & Kauppinen-Räisänen, 2012). Findings from the review identified the notion that 21<sup>st</sup> century tourists are largely dependent and also influenced by the media. From a business or even policy maker perspective, interestingly social media and other media can be used as an effective tool for communicating (Machado, 2012; Ghaderi, et al., 2015; Korstanje & Clayton; 2015; Garg, 2015; Avraham; 2016) safety and security measures as it was found to be the preferred source of information search by tourist. Hence sources of media, especially social media has been found to influence tourist travel behaviour, decision making and the destination image in a number of ways (Chiu & Lin, 2011; Fuchs & Reichel 2011; Seabra, et al., 2014; Chapuis et al., 2015; Morakabati, & Kapuściński; 2016). Safety and security issues, the way it is managed, projected and mitigated, have a bearing on destination image (Woosnam, et al., 2015; Yang, et al., 2015). The literature on safety and security and risk and destination image reveled that an assessment of a destination's image based on safety and security concerns, if addressed effectively, would trigger travel to the destination, hence enabling destinations to provide quality (Boakye, 2012; Hall, 2012) destination experience. The literature has clearly identified the role of safety and security in the tourism industry to be a pre-requisite to tourist re-visit intention and even recommending (Chiu & Lin, 2011; George, 2012) the destination. The review has also found that "risk" as being the function of uncertainty has pushed destinations and tourism businesses alike to identify risk reduction strategies (Yang & Nair, 2014) for tourist when deciding to travel or as a strategy during their stay so that they will feel safe at the destination. Risk and crisis management strategies (Fernandes, 2016; Mair et al., 2016) has been seen as an important element in tourism so as to help bring chaotic situations back into order and help preserve tourist from as much harm as possible in crisis situations. The way destination manages these crisis situations has been found to influence the destination image and even re-visit intentions. Disaster management was found to a relevant component in restoring a destination's image. Furthermore incidents of natural disasters, political unrest, wars, epidemics, and terrorism lead to perceived travel risks and studies on risk revealed that risk perception, rather than facts or actual risk circumstances, influences tourists' behavior (Korstanje, 2011) to avoid or cancel travel to a particular destination or deciding not to return (Machado, 2012) to the destination ever again. Safety, security and being to a certain degree free from potential risk are necessary conditions for a prosperous tourism industry planning and development (Wolff & Larsen, 2014; van Niekerk & Pizam, 2015) and safety and security at destination can lead towards using tourism as a catalyst for *peace* in destinations in turmoil.

The different authors of safety and security and risk studies are trying to not only give theoretical insight of security problems but also managerial responses and possible marketing actions in response to situations of safety and security problems that have a bearing on the tourism industry.

## Conclusion

The study found how interwoven safety and security research is with other variables that would have an impact on tourism. Hence the term risk has interchangeably been used with that of safety and security. The destinations that emerged from the review were found to be mostly from well-established tourism destinations in the Asian, European and Sub-Saharan Africa whereas literature from small island destination were scant. Crime, terrorism and risks were found to be recurrent safety and security concerns for destinations. The review found that most safety and security research addressed its impact on tourist behaviour, destination image and revisit intention. Many destinations that have been subject to safety, security and risk events have had to devise strategies such as global communication, safety and security measures in order to regenerate the images that tourist may have of the destination so as to recreate a sense of trust and confidence in choosing the destination as their place of vacation or business. Scant literature was therefor found to address safety and security issues in island destination context. Future research could also use the safety and security as well as risks dimensions in one study to measure its impacts on the tourist destination.

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# "SAFETY FIRST": THE EFFECT OF RECREATION SAFETY CLIMATE ON RECREATION PERCEPTION

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## Abstract

Recreational security climate does exist in recreational activities, and it is a construct that contributes to positive behaviors and outcomes. This study extends the multiple concepts of recreation safety climate proposed by Cheng, Chen, and Hong (2016), who prove the effects that the recreation safety climate brings to recreation perception by recreationists' view. As a result, this study tries to establish an empirical model that explains an effect of the recreation safety climate. This model can help us to understand the relationships among the recreation risk perception, situational involvement, recreation satisfaction, place attachment, and recreation place loyalty.

Key Words: recreation safety climate, recreation perception, surfing activity

## Introduction

Because of leisure values' change in recent years, leisure activities have become an important thing in people's life. Someone who will express their stresses by doing the recreational activities, in order to pursue the recreational benefits, recovering themselves and be joyful etc., for example. At the same time, when they pursue recreational benefits, there might be some risks in the activities. Bentley, Page, Meyer, Chalmers, and Laird (2001) note that hiking and skiing are activities most prone to accidents in New Zealand, with foreign visitors accounting for 20% to 22% of accidents and deaths, respectively. Hall and McArthur (1991) show that 70% of recreationists engaged in rafting activities in Australia suffer injuries. Statistics compiled by the Water Sports Industry Association (2015) on recreational boating injuries in the U.S. count 610 deaths and 2,678 injuries in 2014, showing an upward trend. In Taiwan, there were 600 drowning cases in 2015, with 31.5% of the cases resulting from water sports, scuba diving, slipping, and fishing. (The Red Cross Society of the Republic of China, 2016). It is thus clear that recreation activities involve risk and that finding ways to reduce this risk is an important issue for effective recreation safety management.

Prior assessments of the safety of a place have largely used safety climate to measure individual perception of the safety of a place. (Cooper & Phillips, 1994; Neal, Griffin, & Hart, 2000). These studies conceptualize the safety climate from the perspective of organizational behavior, meaning the perception of the value and importance of safety-related policies, procedures and practices among organization or group members (Griffin & Neal, 2000; Zohar, 2000). Cheng, Chen, and Hong (2016) apply the theory to the recreational activities, and pose the concept of recreational safety climate. This mainly indicates the degree of effort that a management unit invests in safety as perceived by a recreationist at a particular time, including: cognition of recreation safety values, safety attitude, and safety measures. In the meantime, this study also develops the measurable tool which has reliability and validity to measure the safety climate of recreational places, and it can help recreationists to know the circumstance clearly, and identify the safety in the places. Recreational behaviors' safety is for ensuring the quality of recreational experience. To understand the influence of recreational safety climate to recreational experience perception will help the managerial organization know that it is important to build recreational safety climate. However, we don't know what effects will recreational safety climate cause recreational perception. Hence, discussing the relationship will close the gaps in past researches.

Based on the above, this study attempts to establish a model of the consequences of recreation safety climate from the viewpoint of tourists' safety. Previous studies have pointed, risk perception, situational involvement, satisfaction, place attachment, and recreation place loyalty are important variables in measuring perception of recreation (Fave, Bassi, & Massimini, 2003; Havitz & Mannell, 2005; Kyle, Graefe, Manning, & Bacon, 2003; Yoon & Uysal, 2005). From the viewpoint of recreation operators, how to make tourists feel safe is the core objective of management. Clarifying that the relationship between recreation safety climate and recreational perceptions will help operator adjust the recreation safety matters so as to reduce recreation risk perception. At the same time create a sense of security atmosphere, so that recreationists are fully integrated into the activities of the situation, to enhance the recreation satisfaction, feedback on the recreation place attachment and lovalty. From the perspective of theoretical development, it is possible to make up for the gap in previous studies by exploring and experimenting with the consequences model of recreation safety climate. In sum, the purpose of this study is to examine the potential outcomes of recreation safety climate, including risk perception, situational involvement, recreation satisfaction, recreation place dependence, recreation place identity and recreation place loyalty, among participants in surfing activity.

## Literature review

## Recreation safety climate

Safety is the most basic premise for participation in recreation activities (Barton, 2007; Bentley, Page, & Laird, 2001). Even studies on recreation safety are limited to the measurement of individual perception of risk in assessing the degree of recreation risk. This provides insight into the probability of facing potential related risks (Lin, Lee, & Wang, 2012; Reisinger & Mavondo, 2005; Rittichainuwat & Chakraborty; 2009), but it can't know specifically about the safety of

equipment in recreational activities, the fit of recreational environment and activities, and the implement of standard. In the light of this, Cheng et al. (2016) applied the safety climate theory to the safe management of recreation activities, and provided the definition and measurement of recreation safety climate. They supposed that it can clearly know the condition of safe implement in recreational place by detecting recreation safety climate to avoid the danger.

Cheng et al. (2016) defines recreation safety climate as "the shared perception of recreationists of the engagement in safety matters in a recreation environment when involved in an activity." It includes five dimensions: norms, environment, equipment, management, and Personal engagement. In terms of norms, a recreation manager must comply with related safety policies and laws and formulate safety rules for recreation activities so recreationists can feel the management unit has implemented relevant safety rules. The environmental dimension refers to differences in the recreation environment can give recreationists varying degrees of perception of the safety climate. Equipment refers to the perception of the recreationist that the recreationist's perception of the attitude and behavior of recreation operators towards the management of safety matters. Personal engagement refers to the engagement of the recreationist in recreation safety matters.

Meanwhile, Cheng et al. (2016) also development of recreation safety climate scale to measure it. There are two main functions both a diagnostic and preventive. Diagnostic function has two dimensions, one is that to make manager know which dimension and item should adjust and strengthen, another is that to make recreationists to ascertain the places' condition of safety climate in order to choose the places. Preventive function is that when recreationists engage in activities, they would understand which safety items are weaker than others in places, and then they should enhance preventive measure. The measurement tool has eight dimensions. The eight dimensions were: management commitment to safety, perception of recreation safety rules, fit between recreational environment and safety, safety training for recreationists, responsible manager, emergency facilities, caring, and altruistic safety behavior.

Recreation safety climate and risk perception

Risk perception refer to the individual's subjective perception of the potential for injury or death inherent in an activity (Davis-Berman & Berman, 2002, p. 306). Ballantyne, Carr, and Hughes (2005) noted that sufficient recreation safety information can increase the awareness of recreationists to potential hazards and reduce the occurrence of accidents. Cavazza and Serpe (2009) thought that the use of protective equipment helps to reduce the potential risk. There are all kinds of recreational activities, so there are different for their equipment. Appropriate equipment is beneficial for recreationists to do activities, keep recreation safety, and release recreationists who are terrified of the activities. Cheng et al. (2016) refer to recreationist have sufficient knowledge and ability to increase the safety of recreational activities and thus reduce the subjective perception of the potential harm or death of the activity itself (Robinson, 1992). All of the above studies show that safety protection mechanisms can help reduce recreational risk perceptions. Consequently, this study supposes when recreationists perceive that both of the

environment and safety have low-fit in the activities, it might enhance the risk perception. However, when recreationists have higher perception for the management safety commitment, it might lower the risk perception for the equipment factor. Therefore, this study proposes the following hypothesis:

H1: Recreation safety climate has a negative effect on risk perception

Recreation safety climate and situational involvement

Timperio, Veitch, and Carver (2015) show that individuals perceive a higher level of environmental safety (e.g. from the placement of signs and demarcation of safe range of activities), they are more willing to engage in leisure activities. And, if the recreational environment meets recreationists' requirement, it would also increase situation involvement (Havitz & Mannell, 2005). Hung (2002) mentions that the use of sound and code-compliant safety equipment can not only ensure the safety of the recreationists and help the recreationist to enjoy the pleasure of the activity. In addition, Decloe, Kacyznski, and Havitz (2009) The results of the study show that if recreationist has a partner to participate in activities, more likely to have a higher situational involvement. The main reason is that there are professionals and partners which are trusted and relied on in process. They not only help recreationists to blend into the situation, but also experience the activities' interests. Hence, this study supposes that when recreationists do activities, who can feel high safety climate in recreational environment, they would focus on the situation, and be interested in it. Hence, this study proposes the following hypothesis:

H2: Recreation safety climate has a positive effect on situational involvement

Recreation safety climate and recreation satisfaction

Tsaur, Liang, and Lin (2012) show that when the resources, facilities or benefits provided by the recreation environment can satisfy the needs of the recreationists, it will enable the recreationists to be satisfied with the recreation activities. These recreational resources and facilities should satisfy the need of recreational function and safety. Tseng, Kyle, Shafer, Graefe, Bradle, and Schuett (2009) point out that the safety of recreational activities will help to increase the satisfaction of recreational activities. When individuals feel the goodness of fit between the recreation environment and activity, they will safely engage in the activity, and then satisfied with the activities. Cheng et al. (2016) also pointed out that the recreational safety is to promote the benefits of recreation. By measuring recreational safety climate perception, it can make recreationists understand operator's effort of safety items. For example, recreational equipment which is qualified, providing medical emergency equipment, and admitting safety management, etc., in order to make sure recreationists to do the recreational activities in safety climate. This study proposes the following hypothesis:

H3: Recreation safety climate has a positive effect on recreation satisfaction

Recreation safety climate and recreation place attachment

In leisure studies, place attachment is usually conceptualized as individuals feel value and identity about a particular natural place (Williams & Roggenbuck, 1989). Within the outdoor recreation context, early studies conceptualized place attachment as two dimensional-place dependence and place identity (Moore & Graefe, 1994; Vaske & Kobrin, 2001). Place dependence describes the degree to which a place satisfies the needs or goals of an individual (Schreyer, Jacob, & White, 1981). The second dimension, Place identity describes the emotional/symbolic ties with a place and refers to those dimensions of the self that describe an individual's identity in relation with his/her physical world (Proshansky, 1978). Thach and Axinn (1994) argue that when recreational environment possesses the core attributes (such as: natural environment, recreation conflict) and additional properties (such as: recreationrelated equipment and facilities) to meet the individual needs of recreation and derive recreation experience and benefits, recreationists will choose the environment as a place of recreation and produces place attachment. The relationship between recreational safety climate and place attachment is based on two aspects. First, the functional of activities place closely link with a safe environment and facilities, recreational activities functions and safety are inseparable. Second, the emotion of the recreation place exists in the safety commitment and care, thereby strengthening the emotional identity of the safety place. Therefore, this study suggests that if recreationists can feel the safety climate in the recreation place, they will be able to engage in activities with peace of mind and easily obtain the recreation benefits from the activities. Thus, promoting their dependence on the function of recreation places and emotional identity. This study proposes the following hypothesis:

H4: Recreation safety climate has a positive effect on recreation place dependence H5: Recreation safety climate has a positive effect on recreation place identity

Recreation safety climate and recreation place loyalty

Loyalty refers to consumer behavior toward products and services (Selnes, 1993). Loyalty contains two aspects behavioral and attitudinal. Behavioral loyalty is the number of recreationist to participate in certain activities, facilities and receive services, showing the consistency of regular participation. Attitudinal loyalty refers to the emotional preference of recreationist (Backman & Crompton,1991). Chen and Gursoy (2001) confirmed that the safety of recreation place determined the individual's loyalty to the destination. When individuals feel regular maintenance of the equipment, delineation of safe areas, and professional guidance during the activity, they can engage in recreational activities with peace of mind and satisfy the recreational experience. Thus, making them more willing to go to the place again to engage in activities. Lee, Graefe, and Burns (2007) also pointed out that recreation operators are more cautious about safety management, it will help recreationists to loyalty to the recreationists will engage in activities there for a long period of time and will be happy to share and recommend the safety of the area to others. Hence, this study proposes the following hypothesis:

H6: Recreation safety climate has a positive effect on recreation place loyalty

## Methodology

## Sample Selection and Data Collection

This research selected the Jialeshuei Coast of Kenting National Park in Taiwan as the survey location, with surfer as the samples. Kenting National Park is located in Pingtung Country. A sampling of recreationists on site was taken using the convenience sampling method. However, in the implementation of this method, the surveyor simply selected and approached the next group or person passing the survey site after a questionnaire had been started by someone else (Ritter, Rendle, & Coughlin, 2002). The survey took place at the Jialeshuei Coast of Kenting National Park between September and October, 2018. This study focused on releasing questionnaires to hikers over 18 years of age who could independently answer the questionnaires. Of the 400 surveys distributed, 58 incomplete and invalid surveys were removed. The number of valid samples totaled 342, for a response rate of 85%.

## Measurement

The items for recreation safety climate included management commitment to safety, perception of recreation safety rules, the fit between recreational environment and safety, safety training for visitors, responsible manager, medical service, caring, and altruistic safety behavior including the 8 dimensions proposed by Cheng et al. (2016). To measure risk perception, this study referenced the inventories proposed by Bentley et al. (2001). A total of 16 items were used to measure equipment risk, environment risk, insufficient management risk, and psychological risk. The situational involvement scale has 5 items and was modified from the scale developed by Houston and Rothschild (1978) according to the characteristics of the participants in this study. Three items were used to assess overall recreation satisfaction in reference to Yoon and Uysal (2005). The recreation place dependence 5-items scale was based on Williams and Roggenbuck (1989) to measure the state of place dependence. To measure recreation place identity, this study referenced the inventories proposed by Yoon and Uysal (2005), a total of three items were used to measure place loyalty scale proposed by Yoon and Uysal (2005), a total of three items were used to measure place loyalty. All scales were 7-point Likert scales, with answers ranging from strongly disagree (score = 1) to strongly agree (score = 7).

## Results

## Respondents' Profile

The respondents were primarily male (66.7%). Regarding age, 53.2% were 21–30 years old, 27.8% were 31–40 years old, and 10.5% were under 20 years old. Most were married (75.4%) and most had service occupations (21.3%). Most respondents had a college degree or above (58.5%). Most respondents had participated in the activity for 1–3 years (23.7%).

## Measurement Model

In line with the two-step approach proposed by Anderson and Gerbing (1988), a measurement model was tested before testing the structural model. A confirmatory factor analysis was conducted to investigate measurement reliability and validity. The goodness of fit index of the model is:  $\chi^2/df (df = 2008) = 1.78$ , SRMR = 0.065, RMSEA = 0.048, CFI = 0.94, and NFI = 0.87. These index values indicate that the measurement model has an acceptable model fit. Composite reliability (CR) is employed to corroborate internal consistency of measurement. As shown in Table 1, the CR of the all constructs range from 0.84 to 0.97. Most of the values are well above the recommended value of 0.7, indicating internal consistency among the measurements adopted by this study (Jöreskog & Sörbom, 1993).

Convergent validity is present when each indicator's estimated path coefficient mapping to potential constructs is statistically significant (t >1.96) (Bagozzi, Yi, & Phillips, 1991). Convergent validity is also exhibited when the average variances extracted (AVE) from latent variables and their corresponding measurement items exceeds 0.50 (Fornell & Larcker, 1981). All items clearly (p < 0.01) fall within the construct with a path coefficient between 0.78 and 0.94. Furthermore, the AVE of each construct ranges between 0.73 and 0.87, indicating good convergent validity of the measurements in this study.

Discriminant validity refers to the variance in the measurement of different constructs. It is considered present if the square root of the construct AVE exceeds the correlation coefficient of the other construct (Fornell & Larcker, 1981). The correlation coefficients for all constructs are shown in Table 1. The minimum construct AVE square root value is 0.85, higher than largest correlation coefficient of 0.71 among constructs, indicating that the measurements adopted by this study have good discriminant validity.

Construct	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.
RSC	1	ľ		1				ľ	ľ	1			ľ		1		
1. MC	0.92																
2. PR	0.51**	0.86															
3. FE	0.53**	0.48**	0.88														
4. ST	0.35**	0.41**	0.23**	0.91													
5. RM	0.50**	0.71**	0.39**	0.37**	0.89												
6. EF	0.23**	0.43**	0.21**	0.26**	0.41**	0.93											
7. CA	0.28**	0.56**	0.28**	0.36**	0.53**	0.37**	0.89										
8. AS	0.27**	0.47**	0.21**	0.29**	0.46**	0.36**	0.52**	0.85									
RP																	
9. EQ	-0.37**	-0.47**	-0.18**	-0.24**	-0.46**	-0.23**	-0.30**	-0.31**	0.93								
10. EN	-0.17**	-0.44**	-0.24**	-0.18**	-0.38**	-0.22**	-0.28**	-0.32**	0.59**	0.91							
11. IM	-0.22**	-0.36**	-0.12*	-0.24**	-0.35**	-0.20**	-0.31**	-0.22**	0.70**	0.48**	0.92						
12. PS	-0.22**	-0.37**	-0.12*	-0.15**	-0.48**	-0.26**	-0.25**	-0.32**	0.55**	0.56**	0.57**	0.93					
13. SI	0.45**	0.43**	0.31**	0.29**	0.46**	0.27**	0.32**	0.27**	-0.29**	-0.18**	-0.15**	-0.22**	0.88				
14. RS	0.26**	0.35**	0.20**	0.31**	0.35**	0.27**	0.31**	0.22**	-0.18**	-0.18**	-0.19**	-0.13*	0.35**	0.86			
15. RD	0.18**	0.31**	0.14**	0.26**	0.31**	0.22**	0.31**	0.24**	-0.16**	-0.12*	-0.16**	-0.12*	0.31**	0.41**	0.92		
16. RI	0.19**	0.24**	0.18**	0.16**	0.25**	0.19**	0.25**	0.19**	-0.17**	-0.11*	-0.19**	-0.13*	0.18**	0.38**	0.33**	0.92	
17. RL	0.22**	0.35**	0.29**	0.15**	0.33**	0.16**	0.26**	0.27**	-0.20**	-0.20**	-0.23**	-0.11*	0.31**	0.36**	0.37**	0.28**	0.92

## Table 1 Correlation Coefficient Matrix among Constructs

Notes: 1. The diagonal elements are the squared roots of the AVE, the off-diagonal elements are the correlations between the constructs (\*\*p<0.01, \*P<0.05) 2. RSC=Recreation safety climate; MC= Management commitment to safety; PR= Perception of recreation safety rules; FE= Fit between recreational environment and safety; ST= Safety training for visitors; RM= Responsible management; EF= Emergency facility; CA= Caring; AS= Altruistic safety behavior; RP= Risk perception; EQ= equipment risk; EN=Environment risk; IM= Insufficient management risk; PS= Psychological risk ; SI= Situational involvement; RS= Recreation satisfaction; RD= Recreation place dependence; RI= Recreation place dependence; RL= Recreation place loyalty

## Structural Model

This study utilized maximum-likelihood estimation via AMOS so ware to examine the hypothesized relationships. The overall goodness of fit index for the hypothesis model is:  $\chi 2 = 850.98$ , df = 425,  $\chi 2/df = 2.0$ , RMSEA = 0.054, CFI = 0.95, NFI = 0.90, GFI = 0.86, indicating that the structural model and data have a good fit.

Fig. 1 shows the path coefficients for the model and their significance. Regarding the hypothesis tests, all of the hypothesized relationships were supported for the estimated structural model. First, recreation safety climate has a significant negative impact on risk perception ( $\gamma = -0.55$ , p < 0.01), hypotheses 1 are supported. Secondly, recreation safety climate has a significant positive impact on situational involvement ( $\gamma = 0.54$ , p<0.01), recreation satisfaction ( $\gamma = 0.43$ , p<0.01), recreation place dependence ( $\gamma = 0.36$ , p<0.01), recreation place identity ( $\gamma = 0.25$ , p<0.01), and recreation place loyalty ( $\gamma = 0.37$ , p < 0.01). Therefore, hypotheses 2, 3, 4, 5, and 6 are supported.

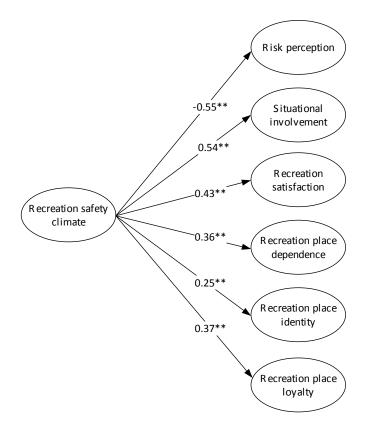


Fig. 1 Path Analysis of the Structural Equation Model

## Conclusion

This study integrates samples from surfing activities to investigate the outcomes of recreation safety climate among participants. The model of recreation safety climate proposed by this study

has not been examined in past research. The process of recreational experience among participants can be more broadly understood by comprehensively examining the relationship among the variables in the safety perceptual model. This study demonstrates that recreation safety climate has an impact on risk perception, situational involvement, recreation satisfaction, recreation place dependence, recreation place identity, and recreation place loyalty. The resultant findings contribute to the overall understanding of participating surfing activity. Firstly, research results show that recreation safety climate can reduced risk perception in surfing recreationists. Ballantyne et al. (2005) argued that sufficient recreation safety information can increase the awareness of recreationists to potential hazards and reduce the occurrence of accidents. Recreation safety climate is the sharing of information on the safety of recreational environment (Cheng et al., 2016). Therefore, recreational managers who provide safety climate awareness will help to recreationists reduce the negative feelings of uncertainty.

The empirical findings showed that recreation safety climate positively and significantly relates to situational involvement. When recreationists engaged in activities to perceive a safety climate in a recreational environment, recreationists more able to have a high degree of situational involvement. This result is similar with that of Wöran and Arnberger (2012), the better the environmental conditions can suffice the safety goals of the recreationist, the recreationist will have more control over the situation and focus on the activities. In addition, the satisfaction of participants in recreation activity is affected by recreation safety climate. Tsaur et al. (2012) noted that when the resources, facilities or benefits provided by the recreation environment can meet the needs of recreationists, they will be satisfied with the recreation activities. Therefore, when the recreationists are aware of the higher recreation safety climate, they will be more integrated into the situation of activities and be satisfied with the activities.

Furthermore, this result showed that when recreational surfers perceived greater recreation safety climate, the sensed recreation place dependence and recreation place identity would be stronger. This result is similar with that of Oh et al. (2012), recreation managers to provide pre-safety training, such as: safety demonstrations and steps of the recreation activity, can increase the knowledge and ability of the recreationists to have a strong sense of identity in recreation place. Finally, the empirical findings show that recreation safety climate positively and significantly relates to recreation place loyalty. As the recreation place has a high level of safety climate, the recreationist will engage in activities there for a long period of time and will be happy to share and recommend the safety of the place to others.

This study constructs the consequences model of recreation safety climate to help understand the role of recreation safe climate in the leisure and recreation area. In the viewpoint of recreational management safety, construction of recreational climate safety consequences model. It not only helps rehabilitations operators realize the importance of recreation safety climate for recreationists, but also enhances and copes with recreational safety mechanisms to reduce risk perception. a high degree of situational involvement and satisfaction, and generate recreation place dependence, recreation place identity, and recreation place loyalty. Furthermore, operators can examine the current inadequacies and negligence of recreational places by recreation safety climate. At the same time as improving the basis for the recreation safety. In order to facilitate the creation of a

highly recreation safety climate environment for recreationists are willing to are willing to stay here to engage in recreational activities.

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# EMPLOYEE ENGAGEMENT IN BOUTIQUE HOTEL BRAND VALUE CO-CREATION: AN EMPIRICAL STUDY IN VIETNAM

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## Abstract

Building a strong brand is more challenging for small and medium boutique hotel businesses in comparison to large high-profile hotel corporates since the high-profile one has better brand visibility, well-established training and monitoring system to ensure the consistent brand promises delivery. Thus, to enable employees of boutique hotels to work as brand representatives effectively, it has been recognized that the employers need to engage employees to co-create the brand value with the employers, resulting in increased brand performance and profitability to the hotels.

While employee engagement has received much attention from practitioners and academics, limited studies reveal context-specific manifestations of employee engagement, particular in the small and medium hotel businesses. Accordingly, this study aim is to explore determinants of employee engagement in service brand value co-creation. Specifically, drawing from on service-dominant logic and dual process theory, we examine the driving forces of both experiential factors (namely internal brand training, transformational leadership) and rational factors (namely social media brand communication, and perceived service climate to customers) in facilitating employee engagement in brand value co-creation. In addition, we test the moderating effect of organization tenure

The research design for this study involves a cross sessional survey with SMEs service employees in communication sector, we collected data from 570 employees working in small and medium boutique hotels in Vietnam. The theoretical model of is empirically tested using the structural equation modeling approach by AMOS. Multiple group comparison is also conducted to identify the difference between senior and junior employees.

The findings indicate that internal branding, transformational leadership, and brand communication on social media enable boutique hotel employees to shape their perception toward hotel service climates which, in turn, foster their engagement in brand value co-creation. Further, the relationships are moderated by employee tenures with the boutique hotels. The positive effect of social media brand communication on perceived service climate and employee engagement is

stronger for junior employees, while the positive effect of internal branding is stronger for senior employees.

Theoretically, this paper stretches service dominant logic about value co-creation into the area of employee engagement. Further, the results showed that employee engagement in brand value co-creation is explained by a dual process model including the interplays between experiential factors of internal brand training, transformational leadership and rational factors of social media brand communication, and service climate to customers. In addition, our findings confirmed that junior employees are more able to absorb rational factors, whereas senior employees are more affect by experiential factors.

For management implication, the findings suggest managers of boutique hotels should undertake broad and integrative branding activities across different functions such as external marketing on social media, management, and human resources training in order to foster employee engagement in co-creating the hotel brand value.

# VISITORS' DESTINATION LOYALTY THROUGH PLACE ATTACHMENT: INVESTIGATING THE MEDIATING ROLE OF EMOTIONAL SOLIDARITY AND MODERATING ROLE OF PERCEIVED SAFETY AT THE SHRINE FESTIVAL

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#### Introduction

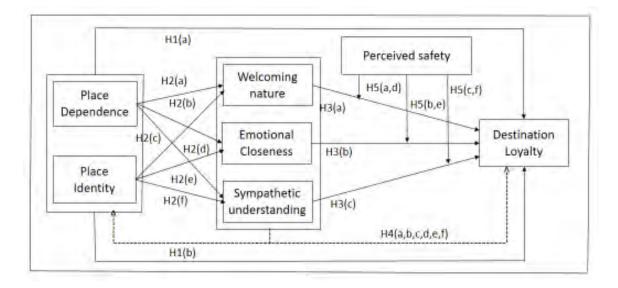
Religious festivals, created to celebrate deeply-held beliefs shared by particular faiths, have existed for centuries (Getz & Page, 2016). Some of the most widely-recognized festivals and celebrations that occur throughout the world include Ramadan (Muslim), Diwali (Hindu), Easter (Christian), Parinirvana (Buddhist), Hanukah (Jewish). By the same regard, far lesser-known festivals and observances take place, oftentimes in rural settings (Wantanee & Dorji, 2016). Few venues (such as these intimate festivals) offer better opportunities for cross-cultural exchange with residents, where visitors have the potential to learn about heritage, traditions, ethnicity, cultural landscapes, and religious values (Bond, Packer, & Ballantyne, 2015; Raj & Griffin, 2015), and at the same time, beliefs and values of particular religions are strengthened.

Shifting from an initial focus on economic impacts (Getz, 2010), more recent research on festivals highlights the growing interest in socio-cultural, and emotional impacts, with a focus on community and tourist interactions (Belhassen, et al., 2008; Colombo, 2016; Fredline, Jago & Deery, 2003; Li & Wan, 2016; Mair & Whitford, 2013; Rubeck, Pandey, & Kohli, 2008; Woosnam & Aleshinloye, 2015; Woosnam, et al., 2014). Understanding these impacts resulting from festivals and the relationships that exist between festival attendees (i.e., residents and tourists) is crucial to consider in fostering greater return attendance (i.e., loyalty), and ultimately, aid in the sustainable managing and planning of the festival. As place is central to many religions and their festivals (Mazumdar & Mazumdar, 2004), research focusing on the psychological dimensions of place (i.e., sense of place and place attachment) can serve to explain numerous outcome variables within a festival context given its recent utilization within the general tourism literature (Gu & Ryan, 2008; Jaafar, Noor, & Rasoolimanesh, 2015; Loureiro, 2014; Ryan, Chaozhi, & Zeng, 2011).

Building on this work involving the social aspects of place, Woosnam et al. (in press) considered the connections individuals have with a place and how that extends to their relationships (i.e., emotional solidarity) with one another. Ribeiro et al. (2017) connect solidarity with the outcome variable, destination loyalty, revealing that two of the three emotional solidarity factors (i.e., feeling welcomed and sympathetic understanding) directly influenced visitors' loyalty. Though the model that Ribeiro and colleagues put forward explained a high degree of variance in loyalty, the researchers did not consider the role place attachment may play in explaining the outcome variable. Furthermore, neither Woosnam et al. (in press) nor Ribeiro et al. (2017) included perceptions of safety as an explanatory variable in their models. As Cohen and Cohen (2012) offer, perceived safety is of paramount importance in any tourism context, especially considering revisit behavior. Supporting this notion, Ribeiro et al. (2017) contends that the inclusion of perceived safety within the model, may shed greater light on visitors' loyalty.

Hence, the purpose of this work is to advance an integrative moderated mediation model demonstrating how place attachment and emotional solidarity may potentially explain individuals' loyalty to a religious festival and how perceived safety may moderate these relationships. More specifically, this work has five main purposes (each corresponding to unique hypotheses embedded within the following literature review): 1) to examine the direct effect that place attachment factors have on destination loyalty; 2) to assess the direct effect of place attachment factors on emotional solidarity factors; 3) to examine the direct effect that emotional solidarity factors have on destination loyalty; 4) to determine whether emotional solidarity factors mediates the relationship between place attachment factors and destination loyalty; and 5) to assess whether perceived safety moderates the indirect effect of place attachment (via emotional solidarity factors) on destination loyalty.

## **Theoretical Framework**



#### Data collection and sampling

Over a period of five days (January 22-26, 2017) during the Attur Church Feast, a team of researchers intercepted visitors as they walked past the entrance of the Church. Individuals were contacted and asked to complete an on-site self-administered questionnaire regarding their perceptions of the church and festival, interactions with others in community, travel behavior, and other pertinent questions. A systematic sampling strategy with a random start was employed to guarantee a representative sample of the visitors. Beginning with a randomly selected visitor, every third attendee was approached and asked if: 1) they were a tourist and 2) if they would be willing to complete the questionnaire. Those who consented were given a copy of the questionnaire which took roughly 12 minutes to complete. To alleviate non-response bias, researchers requested the next immediate visitor to respond to the questionnaire. Each day the researchers selected different times for data collection to avoid response biases.

#### Data analysis and results

#### Description of sample

Slightly less than two-thirds (61%) of the survey participants were between the ages of 20 and 35. A similar percentage (57%) were male. Interestingly, 48% of the participants self-identified as Hindus, 45% as Christians and 8% as Muslims. A large percentage (40%) possessed an undergraduate degree, while most of the remaining participants either had a professional degree (28%) or higher secondary and primary education (30%).

In terms of travel behavior, a preponderance of participants (78%) arrived from Udupi and Dakshina Kannada districts and the remaining from other parts of the country with a very small group (0.5%) of international visitors. The average group size was between four and six members. Slightly more than one-in-three visitors had visited Attur Church between six and ten times in the past. Nineteen percent have visited between 11- 15 times, 39% had visited between 16-25 times

and 4% had visited more than 26 times in their life-time. Seventy-four percent of the participants visited the Church once during the festival and 26% visited for between two and five days.

#### Structural model

The direct proposed hypotheses were measured using structural equation modelling. Overall, the model achieved satisfactory goodness-of-fit according to recommendations put forth by Hair et al. (2014):  $\chi^2 = 835.11$ , df = 181, p < .001, GFI = 0.091, IFI = 0.94, TLI = 0.94, CFI = 0.94, RMSEA = 0.068 and SRMR = 0.049.

**Hypothesis 1a** and **1b** suggested that place dependence (H1a) and place identity (H1b) have a direct relationship with destination loyalty. Results showed that H1a ( $\beta = 0.570$ ; p < 0.001, *t*-value = 8.456) and H1b ( $\beta = 0.152$ ; p < 0.05, *t*-value = 2.234) were both supported. **Hypotheses 2a-c** suggested that place dependence positively affect the three dimensions of emotional solidarity (H2awelcoming nature, H2bemotional closeness, and H2csympathetic understanding). The results supported H2b ( $\beta = 0.342$ ; p < 0.001, *t*-value = 4.232) and H2c ( $\beta = 0.232$ ; p < 0.01, *t*-value = 3.146). Contrarily, H2a ( $\beta = -0.037$ ; p > 0.01, *t*-value = -0.436) was not supported. **Hypotheses 2d-f** suggested that place identity positively influences the three dimensions of emotional solidarity (H2dwelcoming nature, H2eemotional closeness, and H2fsympathetic understanding). The results supported the H2d ( $\beta = 0.537$ ; p < 0.001, *t*-value = 5.882), H2e ( $\beta = 0.186$ ; p < 0.05, *t*-value = 2.339) and H2f ( $\beta = 0.430$ ; p < 0.001, *t*-value = 5.446). Consequently, the portion of Hypothesis 2 concerning place identity was fully supported. **Hypotheses 3a-c** suggested that the three dimensions of ESS (H3awelcoming nature, H3bemotional closeness, and H3c<sub>sympathetic</sub> understanding) have direct effects on destination loyalty. The relationships were significant (H<sub>3a</sub>:  $\beta = 0.258$ ; p < 0.001, *t*-value = 5.379) and, therefore, the hypothesis was fully supported.

Table 1 –	Standardized	<b>Regression</b>	Weights f	or structural model

	Std.		
Standardized hypothesized relationship	Estimates	t-Value	Supported?
H1a: Place Dependence $\rightarrow$ Destination loyalty	.570	8.456***	Yes
H1b: Place Identity $\rightarrow$ Destination Loyalty	.152	2.234*	Yes
H2a: Place Dependence $\rightarrow$ Welcoming Nature	037	436ns	No
H2b: Place Dependence $\rightarrow$ Emotional Closeness	.342	4.232***	Yes
H2c: Place Dependence $\rightarrow$ Sympathetic Understanding	.232	3.146**	Yes
H2d: Place Identity $\rightarrow$ Welcoming Nature	.537	5.882***	Yes
H2e: Place Identity $\rightarrow$ Emotional Closeness	.186	2.339*	Yes
H2f: Place Identity $\rightarrow$ Sympathetic Understanding	.430	5.446***	Yes
H3a: Welcoming Nature $\rightarrow$ Destination loyalty	.258	6.105***	Yes
H3b: Emotional Closeness $\rightarrow$ Destination loyalty	.116	4.625***	Yes
H3c: Sympathetic Understanding $\rightarrow$ Destination loyalty	.213	5.379***	Yes

Note: ns = not significant \*p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001.

 $R^2$  Welcoming Nature = 0.26  $R^2$  Emotional Closeness = 0.26  $R^2$  Sympathetic Understanding = 0.39  $R^2$  Destination Loyalty = 0.82

#### Mediation Analysis

Following the SEM, a set of hypotheses were considered to assess the mediating (or indirect) effect of ESS on the relationship between place attachment and destination loyalty. In this sense,

the indirect effects were assessed using both Sobel's test and a bootstrapping method using the PROCESS macro Model 4 (Hayes 2013). The combination of these approaches in carrying out mediation analysis is more acceptable compared to a traditional single mediation analysis approach (e.g., Hayes 2013; Hayes & Rockwood 2017). In doing so, Hypotheses 4a-c suggested that the effect of place dependence on destination loyalty is mediated by the three ESS dimensions ( $H_{4a}$ :  $\beta_{PD \to FW \to DL}$ , H<sub>4b</sub>:  $\beta_{PD \to EC \to DL}$  and H<sub>4c</sub>:  $\beta_{PD \to SU \to DL}$ ). The indirect effect results revealed that both the Sobel test and bootstrapping method (Table 5) for H4b ( $\beta_{PD\to EC\to DL} = 0.090$ ; Z= 6.40; 95% CI = 0.065, 0.120, p < 0.001) and H4c ( $\beta_{PD \to SU \to DL} = 0.091$ ; Z = 6.32, 95% CI = 0.085, 0.153, p < 0.001) were supported. However, the results for H4a ( $\beta_{PD \rightarrow FW \rightarrow DL} = -0.007$ ; Z = -0.607; 95% CI = -0.032, 0.017, p > 0.05) proved to be insignificant given the Sobel test was less than 1.96 and the bootstrap confidence intervals contained zero. Therefore, we concluded that H4a-c was partially supported. Hypotheses 4d-f suggested that the effect of place identity on destination loyalty is mediated by the three ESS dimensions (H<sub>4d</sub>:  $PI \rightarrow FW \rightarrow DL$ , H<sub>4e</sub>:  $PI \rightarrow EC \rightarrow DL$  and H<sub>4f</sub>:  $PI \rightarrow SU \rightarrow DL$ ). The results of these indirect relationships revealed that both the Sobel test and bootstrapping method (Table 4) for H4d ( $\beta_{PI \rightarrow EC \rightarrow DL} = 0.154$ ; Z= 7.86; 95% CI = 0.120, 0.195, p < 0.001), H4e  $(\beta_{PI \rightarrow SU \rightarrow DL} = 0.081; Z = 6.42, 95\% \text{ CI} = 0.059, 0.108, p < 0.001)$  and H4f  $(\beta_{PI \rightarrow FW \rightarrow DL} = 0.188; Z = 0.188; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.081; Z = 0.0$ = 7.47; 95% CI = 0.141, 0.246, p < 0.001) was significant. Thus, H4d-f was fully supported.

#### Moderated mediation analysis

A moderated mediation analysis was undertaken next to assess whether visitors' level of perceived safety (PS) would moderate the conditional indirect effect of place attachment on destination loyalty via emotional solidarity (see Figure 1). PROCESS Model 14 (Hayes 2013; 2015) was utilized with 10.000 bootstrap sample to produce the index of moderated mediation (Hayes 2015), that is a quantification of the effect of a moderator variable on a mediation effect (for more details see Haves, 2015; Haves & Rockwood, 2017). Hypotheses 5a-c (H5a:  $PD \rightarrow (FW*PS) \rightarrow DL$ ; H5b:  $PD \rightarrow (EC*PS) \rightarrow DL$ ; and H5c:  $PD \rightarrow (SU*PS) \rightarrow DL$ ) suggested that the indirect effect of place dependence on destination loyalty (through ESS) would be moderated by visitor level of perceived safety. As presented in Table 5, the indexes of the moderated mediation was significant and the confidence intervals did not straddle zero for H5b ( $\beta_{PD \rightarrow (EC^*PS) \rightarrow DL} = -0.026$ , SE<sub>Boot</sub> = 0.007, 95% CI = -0.039, -0.013) and H5c ( $\beta_{PD \to (SU^*PS) \to DL} = 0.023$ , SE<sub>Boot</sub> = 0.013, 95% CI = 0.001, 0.051). However, hypothesis H5a was redetected since the bootstrap confidence interval includes zero. **Hypotheses 5d-f** postulated that place safety would moderate the indirect effect of place identity on destination loyalty (via ESS). Since the CI of the indexes of moderated mediation (see Table 6) for H5d ( $\beta_{PI \rightarrow (WN^*PS) \rightarrow DL} = -0.065$ , SE<sub>Boot</sub> = 0.009, 95% CI = -0.065, -0.020) and H5e  $(\beta_{PI \rightarrow (EC^*PS) \rightarrow DL} = 0.025, SE_{Boot} = 0.013, 95\% CI = 0.002, 0.052)$  do not include zero, we can conclude that the assessed indirect effects at several levels of PS are statistically significantly different, giving support to H5d and H5e. Furthermore, hypothesis H5f was not supported since the bootstrap CI of the index of moderated mediation straddles zero. Taken together, we can conclude that visitor level of perceived safety in the religious festival context partially moderated the indirect effect of place attachment on destination loyalty through emotional solidarity.

#### **Discussions and Conclusion**

There is a significant relationship between place attachment, emotional solidarity, perceived saftey and destination loyalty as per the results of the study. This ultmiately affects visitors' likelihood of attending the festival again. In essence, these relationships suggest that for religious destinations, emotional content of the destination and safety attributes have an impact on their loyalty to the destination. Visitor safety is an important indicator for the success of any festivals and studies have identified that perceived safety is one of the motivating reason to draw more visitors to a festival celebration (George, 2010). Also, the indirect influence that place attachment has on destination loyalty through emotional solidarity may influence the Church authorities to procatively manage future Church festivals. In conclusion, the study contributes to provide empirical evidences of the antecedents of destination loyalty. Inclusion of socio-cultural variable in future studies may help to establish an understanding of the visitors' attitude towards local residents which may be one of the deciding factor of the success of religious festivals. Stressing the safety level may help to elevate the perception of a visitors toward a destination and will surely have a more profound effect on their travel intentions.

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## AIRBNB IN SOUTH AFRICA: WINDFALLS, PITFALLS AND REGULATION

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#### Introduction

The advent of the shared economy has certainly caused a significant amount of disruption to existing business practices. Uber and Airbnb are prime examples of this new way of doing business. In some quarters the shared economy (represented by Uber and Airbnb) has been hailed as a significant move towards the democratization of the economy and greater power to the individual (and a move away from vested power relations). However, this "disruption" is not appreciated by all and some traditional businesses have strongly objected to these "newcomers". In some instances tensions between Uber-drivers and drivers of traditional metered-taxis have boiled over into violence and even the killing of Uber-drivers. The competition between these interest groups are direct and intense. Is this the same for Airbnb (and similar providers)?

The view has been expressed that Airbnb should not be seen as the biggest threat to the hospitality industry in South Africa. There is the likelihood that Airbnb accommodation could draw business away from hotels, especially in areas where the growth in tourism is not as marked as in larger destinations. However, a young backpacker is unlikely to stay in a hotel, whereas a business traveler will not make use of Airbnb. There will always be a significant intersection in respect of which the service providers (accommodation), will compete. The hospitality industry must recognize that travelers "evolve in their expectations." Experience tourism is a global trend, also in South Africa. Airbnb will tap into this trend, but the "formal" hospitality industry must also learn from this and adapt offerings accordingly.

#### Advantages and Disadvantages of Airbnb in South Africa

Airbnb provides certain advantages, including a proper "fit" between host and guest. Airbnb can provide the type of experience tourism referred to above. An example is an initiative of the city of Cape Town to assist in providing Airbnb –accommodation in a local township, thereby providing a particular need and bringing much-needed income and employment in these areas. It is probably safe to say that Airbnb makes travelling more affordable for many people, thereby promoting tourism with the resultant positive spin-offs.

Most of the time, in the case of an Airbnb, one receives more space at a cheaper price when compared to hotels.

Another advantage of Airbnb is filtering tools. Not only can one filter based on cost and price, but also based on wifi and parking spot. Many hotels offer amenities which a person does not need and on the other hand, sometimes do not have what a person wants. Hotels are relatively homogenous, and for this reason, you have to be content with whatever that property is like. An Airbnb will rarely have any more or fewer amenities than what one needs. Why? Because you simply find the intersection of what you need with what the market has to offer.

Disadvantages include inconsistency; interaction with property owners; security; possible discrimination against the guest; the potential for misrepresentation to the guest; and the location being far from tourist places of interest.

The number one disadvantage of Airbnb vs staying in a hotel is the inconsistency from one property to another. Hotels have made sure that your stay meets your standard. On the contrary, each Airbnb comes along with its own set of features. These features are not always bad, but a person is not used to the uncertainty that comes along with getting to know your new home.

Heading out on a work trip means that you also want to have some "me" time while you are traveling. Renting an Airbnb requires interaction with a property owner in some way. At the low end, you are going to have to at least coordinate with them via app/email on how to check in/out, but in some cases you are going to have quite a bit of face-to-face interaction with them.

Security might also be a problem, because the fact of the matter is that other people can enter your apartment while you are there. Security is very much about peace of mind, and for a number of people, the fact that others can enter the premises, will be too much of a risk.

Hosts may be selective about who they would like to stay in the Airbnb. At least with a hotel you book, you pay, you stay. No matter who you are.

Photos might not indicate, for example, paint peeling off the walls. A messy house will definitely have a detrimental effect on especially business tourists.

Hotels are generally conveniently located. You will seldom find hotels in the middle of some residential suburb. When selecting an Airbnb, proximity to town and public transport is an important consideration. If one arrives and you are not happy with the accommodation, then you have a serious problem, because you have to find an alternative at the last minute. The alternative will always cost more.

## Primary research objective

This paper will seek to provide a preliminary investigation, in the form of a desk study, into two aspects pertaining to Airbnb in South Africa, namely:

- it will provide an analysis of the potential benefits and areas of concern pertaining to Airbnb; and
- it will consider the extent to which Airbnb is regulated by law, and the legal protection guests are afforded.

## Regulation

Different laws might have an impact on the Airbnb in South Africa, for example the Consumer Protection Act (2008). This law regulates the relationship between guests and hosts. Another law that might be of significance is the Electronic Communications and Transactions Act (2002), which regulates contracts entered into. The Sectional Titles Act (1996), which provides body corporates with the authority to make rules governing sectional title developments, will also be investigated for the purposes of this paper.

Answers will be sought to questions such as: Will it be fair for a municipality to prohibit Airbnbs in cities such as for example Cape Town and Stellenbosch? Will it be possible to prohibit Airbnbs in sectional title units? It is envisaged that some of the findings and recommendations of this paper may serve to assist stakeholders in the tourism industry.

*Key words: Airbnb, Consumer Protection Act, Electronic Communications and Transactions Act, Sectional Titles Act* 

# ADOPTION OF A WELLNESS PRODUCT IN THE HOTEL INDUSTRY

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#### Abstract

The health and wellness market is growing immensely, creating opportunities within the hospitality industry, for companies to cater to health-conscious guests. The terms, health and wellness have become a new era in the hospitality industry. Wellness is defined as a state of health featuring the harmony of body, mind, and spirit with self-responsibility for one's quality of life (Mueller & Kaufmann, 2001). Focusing on the hotel industry, many hotel guests consider good service and product qualities as taken for granted, and now seek new types of experiences during their hotel stay. Wellness could be regarded as the new way to position hotel brands in this unique niche market. In fact, several hotel brands have already promoted wellness to hotel guests as a competitive strategy in order to differentiate themselves from other competing brands (Smith & Puczkó, 2014). To maximize benefits from this trend, it is essential for hospitality operators to anticipate the needs of guests, and to provide innovative products and services in order to enhance the wellness experience among guests.

Product innovation refers to new or significantly improved products that are beneficial to potential adopters (Camison & Monfort-Mir, 2012; Lee, Hallak & Sardeshmukh, 2016). Previous studies showed that hospitality organizations can improve reputation of brand image and guest satisfaction, decrease long-term costs, and increase sales and profits through innovation (Arts, Framback, & Bijmolt, 2011; Bilgihan & Nejad, 2015; Cha, Kim, & Cichy, 2018; Chou, Chen, & Wang, 2012; Gomezelj, 2016; Lee et al., 2016; Ottenbacher & Harrington, 2009). In particular, a wellness product - mattress encasement protector - is considered an innovation in this study since this product presents a different way of thinking, regarding operations within a hotel property, by focusing on hotel guests' health and hygiene. Despite a proliferation of wellness-related research in recent years, innovative products relating to sleep quality and cleanliness have received much less attention than other products and services. However, it is known that cleanliness is one of the

most important components in influencing guest satisfaction and guest hotel experience (Amblee, 2015; Cohen, Elliott, Oates, Schembri, & Mantri, 2017; Flôres et al., 2014; Lockyer, 2003; Mueller & Kaufmann, 2001; Tosun, Dedeoglu, & Fyall, 2015; Vilnai-Yavetz & Gilboa, 2010).

The main purpose of this study is to identify dimensions of perceived innovation characteristics of a wellness product, based on the theory of innovation adoptions (Rogers, 2003). According to the innovation adoption literature, innovations offering more relative advantage, compatibility and simplicity will be adopted faster than other alternatives (Meuter, Bitner, Ostrom, & Brown, 2005; Frambach & Schillewaert, 2002; Heidenreich, Kraemer, & Handrich, 2016). After evaluating validity of the measurement model in this context, the main objective of this study is to examine the relative effects of perceived characteristics of a wellness product, as well as social factors on adoption intention of that product among lodging operators. In understanding the issues relevant to a wellness product in the hotel industry and identifying factors influencing adoption of the mattress encasement protector, data will be collected through a web-based survey. This survey will target potential adopters, namely general managers or housekeeping directors (or managers) in the U.S. In addition to the confirmatory factor analysis, this study will examine the proposed hypothesized relationships with structural equation modeling. This study would contribute uniquely to the current hospitality literature by identifying motivators and testing them, relative to the factors of wellness products adoption applied to the hotel industry.

Key Words: Wellness product, adoption, diffusion of innovation, innovation characteristics, social influence

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## CONSUMER SWITCHING BEHAVIOR FOR AIRBNB: APPLYING THE PUSH-PULL-MOORING FRAMEWORK

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## Abstract

The sharing economy is expected to inevitably become a major component of the global economy. This new business platform has the potential to fundamentally change the traditional business markets and shift consumer behaviors. Airbnb is a web based accommodations platform, which brings together individuals who have underutilized assets (houses, apartments, etc.) with people who would like to rent these assets short-term (Cusumano, 2015). Airbnb is known to be the world's largest accommodations provider, without owning actual rooms. The popularity of Airbnb suggests a substitution effect on incumbent hotels, and has been considered as a disruptive innovation for the traditional hotel industry due to the company's innovative internet-based business model and its distinct benefits to guests (Danneels, 2004; Guttentag & Smith, 2017). More specifically, the emergence of Airbnb and its rapid growth has had a significant impact on the hotel industry, which has resulted in decreasing hotel rates and revenues industrywide (Consigli et al., 2012; Guttentag, 2015).

This study will examine Airbnb's impact as an innovative disruption on hotels. The purpose of this study is to examine the applicability of the push-pull-moorings (PPM) migration model (Bansal et al., 2005), in order to understand hotel guests' switching behavior as the emergence of Airbnb. This framework is based on the migration theory from human geography, in order to extensively explain consumer switching behavior (Bansal et al, 2005). While the PPM framework has not been applied to the context of the current Airbnb literature, this framework has been studied in terms of switching behaviors related to mobile shopping (Lai, Debbarma, & Ulhas, 2012), social networking sites (Chang, Liu, & Chen, 2014; Peng, Zhao, & Zhu, 2016), and internet service providers (Han, Tyagi, Kim & Choi, 2016). In this PPM model, the push effects (e.g., service failure of hotel, dissatisfaction with hotel experiences, low loyalty to hotel), conceptually defined as negative factors that motivate guests to leave (Bansal et al., 2005; Han et al., 2011; Park & Jang, 2014; Sun, 2014), are expected to have positive influences on hotel guests' switching intention to Airbnb. The pull effects (e.g., relative attractiveness of Airbnb, disruptive innovation benefits), defined as positive factors drawing consumers (Bansal et al., 2005; Hsieh et al., 2012; Hou et al., 2011), are expected to have positive influences on hotel guests' switching intention to Airbnb. However, the mooring effects (e.g., high switching cost, unfavorable attitude towards switching, unfavorable subjective norm, low perceived behavioral control, infrequent prior switching

experience, low variety seeking), constitute contextual constrains, and are expected to have negative impacts on switching intention to Airbnb. We also explore the moderating roles of these mooring effects to test the relationships between pull effects and intentions, and push effects and intentions (Bansal et al., 2005; Hsieh et al., 2012; Jung, Han, & Oh, 2017). As another moderator, this study also intends to include hotel classes, as followed by Guttentage and Smith (2017), in order to examine the magnitude of hypothesized relationships between PPM factors and switching intention across different hotel types (upscale, mid-range, and budget hotels).

Data will be collected from US hotel guests who stayed at least one of three classes of hotels (upscale, mid-range, and budget/economy hotels) during the last six months via a web-based survey. Confirmatory factor analysis (CFA) will be undertaken to evaluate convergent and discriminant validity of the factor structure by confirming PPM dimensionality including outcome variable (switching behavior intention). Lastly, path and multiple group analyses in structural equation modeling (SEM) will be conducted to examine hypothesized relationships of the proposed model. This study expects to contribute to the hospitality marketing literature by testing a comprehensive model, which explains lodging switching behavior as well as generating ideas for hotels on how to deal with Airbnb.

Key Words: Sharing economy, disruptive innovation, push-pull-mooring (PPM) framework, Airbnb, switching behavior

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# INTELLECTUAL STRUCTURE OF STRATEGIC MANAGEMENT RESEARCH IN THE HOSPITALITY MANAGEMENT FIELD

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## Abstract

This study investigates the intellectual structure of strategic management research in the hospitality management field. 1,652 articles related to hospitality strategic management published in leading hospitality and tourism and business journals were analyzed using co-citation analysis combining social network analysis. The study's findings demonstrate the subfields of SM in hospitality are strategy and uncertainty, strategy and the internal organization, competitive strategy, corporate strategy and governance, global strategy, strategy process, strategy implementation, knowledge and innovation, the practice of strategy, and entrepreneurship and strategy. As one of the first studies in this field, this research discusses intellectual structure of strategic management studies within a hospitality focus while also looking at the potential for expansion in future studies.

Key Words: intellectual structure, co-citation analysis, strategic management, strategy, hospitality

## Introduction

Several previous studies have investigated the evolution of strategic management (SM) field by using bibliometric methods. For example, Ramos-Rodríguez and Ruíz-Navarro (2004) identified changes in the intellectual structure of strategic management in the articles published in the *Strategic Management Journal(SMJ)* between 1980 and 2000. Nerur, Rasheed, & Natarajan (2008) investigated the intellectual structure of the SM field by focusing on an author co-citation analysis based on the scientific out-put of the *SMJ* between 1980 and 2000. However, no study has

quantitatively evaluated the intellectual structure of strategic management in our field, although SM has a critical position in the industry to manage practices and in academia to find out solutions for problems managers faced by integrating other subfields of management such as marketing, finance, human resource etc. Given this, the main purpose of this study is to examine how intellectual structure of strategic management in the hospitality management field has evolved.

## Methodology

We utilized citation and co-citation analysis since those are statistical tools for highlighting influential documents, authors, and journals in a particular field by counting references within bibliographies of documents in a given period of time (Zupic and Čater, 2015). Results of such studies can assist researchers and readers in elucidating the intellectual structure of disciplines over time and the most influential research, or the central, peripheral, or bridging studies of the field (Koseoglu, Rahimi, Okumus, & Liu, 2016). In other words, analyzing the references of a publication enables the identification of the studies belonging to the same school, paradigm, or theory (Acedo, Barroso, & Galan, 2006).

## **Databases and journal selection**

We considered both the Social Science Citation Index and Google Scholar's journal metrics (h5index) to identify leading hospitality and tourism (H&T) journals and business and management (B&M) journals. Articles published both in hospitality and tourism journals and top-tier business and management journals were considered. The selected journals are listed in Table 1.

Table 1. Leading	g H&T Journals and General Business and Management Journals
H&T Journals	Annals of Tourism Research
	Asia Pacific Journal of Tourism Research
	Cornell Hospitality Quarterly
	Current Issues in Tourism
	International Journal of Hospitality Management
	International Journal of Contemporary Hospitality Management
	International Journal of Tourism Research
	Journal of Hospitality and Tourism Research
	Journal of Destination Marketing & Management
	Journal of Hospitality, Leisure, Sport, and Tourism Education
	Journal of Hospitality Marketing & Management
	Journal of Sustainable Tourism
	Journal of Travel and Tourism Marketing
	Journal of Travel Research
	Journal of Vacation Marketing

	Scandinavian Journal of Hospitality and Tourism
	Tourism Economics
	Tourism Geographies
	Tourism Management
	Tourism Management Perspectives
	Tourist Studies
General	Academy of Management Journal
business and management	Academy of Management Review
(B&M) Journals	European Journal of Innovation Management
	Entrepreneurship Theory and Practice
	International Journal of Entrepreneurial Behavior & Research
	International Journal of Innovation Management
	Industrial Marketing Management
	Journal of Business Research
	Journal of Business Venturing
	Journal of Corporate Finance
	Journal of Management
	Journal of Management Studies
	Journal of Marketing
	Journal of Operations Management
	Journal of Product Innovation Management
	Journal of Small Business and Enterprise Development
	Journal of the Academy of Marketing Science
	Management Decision
	Management Science
	Omega
	Organization Science
	Research Policy
	Strategic Entrepreneurship Journal
	Strategic Management Journal
	Technological Forecasting and Social Change

## Extraction of related articles and data preparation

To extract articles on SM topics with a hospitality focus, first, the researchers determined the keywords necessary for finding appropriate articles from both H&T and B&M journals. These keywords are presented in Table 2.

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Table 2. Keywords used to find SM research articles with in a hospitality focus

In the second step, all issues of journals published by the end of December 2016 were scanned for relevant articles. The search terms utilized for scanning keywords were "article title," "article abstract," and "article keywords.". A total of 1652 articles were collected from the journals. Lastly, the names and affiliations of the articles' authors were manually inserted into a spreadsheet to minimize or eliminate possible spelling errors in the database. All errors, including misspellings, duplications of authors' names, and writing errors identified were corrected manually in the data file.

## Findings and conclusion

The findings results suggest that the subfields of SM in hospitality are not clear as shown in strategy and uncertainty, strategy and the internal organization, competitive strategy, corporate strategy and governance, global strategy, strategy process, strategy implementation, knowledge and innovation, the practice of strategy, and entrepreneurship and strategy as indicated by Harrington and Ottenbacher (2011) and Harrington, et al. (2014). We found that marketing is dominant subfield in the SM research in the hospitality industry. The resource-based view is a dominant approach in the field although the positioning school was dominant during the early stages of the field. Researchers should go further in these subfields having weak ties to reach mature intellectual structure of SM studies in the hospitality field.

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## WHAT MATTERS MOST TO HOTEL MANAGERS? AN INVESTIGATION OF EMPLOYEE MORALE, EMPLOYEE RELATIONS, AND AFFECTIVE COMMITMENT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Daraneekorn Supanti and Ken Butcher

## Abstract

Corporate social responsibility (CSR) works tend to revolve around three core areas: debating the nature of CSR; impacts on firm performance; and customers' or employees' perspectives toward CSR. Less attention has been given to understanding why firms engage with CSR, despite recent call for a better understanding of the key factors driving CSR engagement, especially from human resource management (HRM) perspective. Therefore, this study aims to examine the influential employee-related factors leading to a hotel's level of CSR engagement, and how the strength of such relationships vary under moderation/mediation conditions.

This work is significant for two reasons. First, it provides a better understanding of the psychological processes involved in CSR engagement by adopting an individual level research perspective on the CSR-HRM relationship such as employee morale, employee relations, and affective commitment. Second, the research model includes major employee-related aspects of the CSR decision making process and illustrates the usefulness of a new analytical procedure to test moderating/mediating relationships.

A survey of 145 executive/functional managers were drawn from a mix of chain/independent and midscale/upscale hotels. Findings highlight how hotel managers responded positively to employee-driven aspects when engaging in CSR, such as fostering better relationships among employees and enhancing employees' feeling of attachment to hotel. The results suggest that employee relations strongly influence managers' engagement in CSR activities, in the presence of the mediating role of affective commitment. New findings reveal that affective commitment is an important mediator leading to more CSR engagement. These results indicate that these mediating effects do not apply equally to all employee-driven aspects. It was evident that there is a substantial reduction in the strength of the direct effect of employee morale on CSR in the presence of affective commitment. This finding suggests that managers who have high expectation that CSR will enhance employee morale tend to be more receptive to the idea that CSR enhances employees' attachment to the hotel. Several practical and theoretical implications of these findings can be drawn. A further key finding indicates that the mediation model is moderated by the hotel's star rating. These results suggest that managers from midscale hotels are likely to be interested in building employee relations whereas managers from upscale hotels are likely to aim for affective commitment.

*Keywords:* corporate social responsibility; affective commitment; employee morale; employee relations; hotel managers; Thailand.

## PERSONALITY AND INVOLVEMENT AS A MEDIATOR OF THE RELATIONSHIP BETWEEN E-WOM AND INTENTION TO VISIT DESTINATION

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## Abstract

In tourism industries, the effect of e-wom in purchase intention was strong. That because tourism services was intangibles and cannot be evaluated in advance. Hence, purchasing intangible products and services involves higher risk. Customers would be more dependent on the online interpersonal influence and e-wom. Previous research also showed that individual trait of personality moderated the relationship between e-wom and consumer berhavior. Customer with higher level of extraversion, agreeableness, and opennes to experience have stronger relationship between e-wom and consumer berhavior. Result show that extraversion, openness, agreeableness, and also involvement moderate the relationship. In other hand, conscientiousness and neuroticism wasn't moderate the relationship.

Keyword: Intention to visit, E-wom, Personality, Involvement

### Introduction

Nowdays, Instagram becomes one of the most popular social networks worldwide, including in Indonesia. The Statistics portal presents a ranking of the countries with the largest Instagram audiences worldwide, measured by the number of monthly active Instagram users as of April 2018. During the measured period, the United States were ranked first with 120 million monthly active users (MAU). Brazil was ranked second with 61 million Instagram MAU, followed by India with 59 million monthly active users and Indonesia in the fourth rank.

The importance of internet (expecially Instagram) in tourism industry was analyzed by many researchers. It was since the emergence of social media as a tourism promotion in tourism industry. The impact of social media in tourism industry has been greatly magnified in persuading tourists to consider the information in social media as their reference for visiting tourism destination. Studies have found the influence of e-wom toward the intention to purchase as well as the intention to visit tourism destination (Abubakar,2016; Zarrad & Debabi, 2015; Albarq, 2014). E-wom communication has a credible influence on both attitude and intention to visit a destination. It is because Instagram has made it possible for one person to communicate with people around the world to share information of tourism product (Fatanti & Suyatnya, 2015). Potential visitors consult online reviews because the tourism product and service is not accessible prior the moment of its consumption, thus the risk and uncertainty associated with it is increased. According to

Bickart and Schindler (2001), online WOM has the potential to reduce the risk, uncertainty and ambiguity associated with a product or service. Online WOM is the most attested source of information for consumers and it is considered to be twice as inspiring as traditional advertisements (Hung &Li,2007). By now, visitors do not trust advertising that focuses on the advantages and special features of the destinations. Visitors require a personal approach that are intelligent, creative, interactive, communication and contains messages including empathy and emotions. This is relevant to Schiffman and Kanuk (2007) who stated that consumers are more likely to trust referrals from consumers who have used the product, because they get information from people who are similar to them, who provide information earnestly according to their own personal purchasing experiences. The existence of e-wom make it possible for visitors to develop an image about a destination as well as a set of expectations, before visiting a destination (Baloglu & Brinberg, 1997). They form a mental picture of the destination through their reasoned and emotional interpretation (Kavoura and Bitsani, 2013).

Tourism decisions are considered highly risky due to the high monetary and non-monetary costs associated )Sirakaya & Woodside, 2005(, so the process of buying tourism products is very engaging, which means that tourists devotes to it a considerable effort and time )Seabra et al., 2007 .(Additionally, depending on the product or situation tourists may be more interested, concerned, or involved in the buying decision process .Through this phenomenon, we argue that tourist intention to visit destination is affected by e-wom and moderated by involvement. Involvement is, in fact, the basis of the tourist purchase decision and profoundly affects the perceived value of the product and its evaluation )Bolton & Drew, 1991 .(This concept is a central issue in the study of consumer behavior in general and especially in the decision to purchase tourism products )Dimanche et al., 1991 .(Involvement is a key issue to explain what attracts consumers to products and how they make their buying decisions allowing distinguishing types of consumers .

Personality traits could also be a crucial determinant of users' intention to engage e-wom communication. Previous research by Ross et al. (2009) suggested that extraversion, neuroticism, and openness to experience are key factors of social media usage. People with high level of openness, neuroticism and extraversion are more inclined to instant message usage as compared to those with low level. In line with SNSs usage, personality traits could also affect their knowledge sharing intention, including the responses that are provided by individuals related to the e-wom they are reading.

This paper focused on how e-wom (in Instagram) become a popular media to promote tourism sites in Indonesia. Malang is one of the most well-known tourism destinations in Indonesia, and now Instagram has become a massive media to share information about tourist destination. Batu Malang was located in East Java. During 2015, about 3.5 million people visited Batu. Malang and 2016. increased 4.2 million people. in it up to (http://www.industry.co.id/read/7394)

#### Literature review

#### Intention to Visit

Intention to visit a destination is defined as the willingness to visit a destination. Ajzen's (1991) theory of planned behavior (TPB) has been widely adopted as one of the most powerful tools to test consumers' behavioral intention (Ajzen, 2011). Before tourists have intention to visit destination, they would through the decision making prosess. Since 1960s, various models regarding the customer decision process have been developed. Although the descriptions of the customer decision prosess vary across the model, five similiar decision process stages occur in all the model. This five stages was problem/need recognition, information search, alternative evaluation, purchase, and post purchase. In the Theory of Planned Behavior (TPB), behavioral intention is central to the model and represents the extent of the individual's intentions to perform or not to perform one certain behavior. According to TPB, behavioral intention can be used to directly predict actual behavior (Ajzen, 1991).

#### Electronic Word of Mouth )e-wom(

Information search is the second stage that can be classified as either an internal search or exsternal search (Engel, Blackwell, Miniard, 1993). Internal search refers to the tourist search via information recalled about destination from memory and it is determined by the tourist's existing knowledge about the destination and their ability to retrieve relevant destination information. External search is applied when the internal search is not sufficient to statisfy tourist need, so they search through e-wom or mass-market communication. When reading e-wom in instagram, visitors develop an image about a destination as well as a set of expectations based on previous experience, word of mouth, press reports, advertising and common beliefs, before visiting a destination (Baloglu & Brinberg, 1997). WOM is particularly important when services are complex or have high-perceived risk (Zeithaml et al., 1996), because it is seen as a highly credible information source as the sender is usually independent of the organization providing the service and is not seen to gain directly from advocating the service (Silverman, 2001). Based on these theoretical foundation, it can be hypothesized that:

H1: Electronic Word of Mouth (e-wom) has a positive impact on intention to visit destination

#### Personality Traits )Big Five Model(

Even though there are several studies and substantial volume of literature on WOM, it is of significance to notify that e-wom is an under-researched domain and needs further inquiry (Zhang, Craciun, Shin, 2010). It has been shown that personality effects individual desires on how an individual attains gratification (Conway & Rubin, 1991). A person's values, beliefs, motives and needs influence behaviors, like selection of media and usage, to fulfill set of psychological needs. Previous research about moderating role of big 5 personality traits, shown that personality can mediate the impact of electronic word-of-mouth on online impulse buying behavior. The Personality traits moderate the relationship between e-wom and impulse buying behavior because extraversion, openness and agreeableness personals are usually confronted to internet and social media as they are outgoing talkative, broad-minded, appreciative, hence positively related to impulse buying. Therefore, if an individual scores high on extraversion, openness and agreeableness then it will strengthen the relationship between e-wom and impulse buying. And if

an individual scores low on extraversion, openness and agreeableness then it will weakens the relationship between e-wom and impulse buying. Furthermore, neuroticism and conscientiousness are negatively related to impulse buying as they have high levels of motivation to tell the truth and to share real experiences, low self-esteem, depression, anxiety usually act as compulsive buyers. Therefore, if individual scores high on neuroticism and conscientiousness then it will weaken the relationship between e-wom and impulse buying (Husnain et al., 2016). Based on these theoretical foundation, it can be hypothesized that:

- H2 (a) : Extraversion moderates the relationship between electronic word of mouth (e-wom) and intention to visit destination, in such way that the relationship will be stronger when individual is high on extraversion trait.
- H2 (b) : Openness moderates the relationship between electronic word of mouth (e-wom) and intention to visit destination, in such way that the relationship will be stronger when individual is high on openness trait.
- H2 (c) : Agreeableness moderates the relationship between electronic word of mouth (e-wom) and intention to visit destination, in such way that the relationship will be stronger when individual is high on Agreeableness trait.
- H2 (d) : Conscientiousness moderates the relationship between electronic word of mouth (e-wom) and intention to visit destination, in such way that the relationship will be weaker when individual is high on conscientiousness trait.
- H2 (e) : Neuroticism moderates the relationship between electronic word of mouth (e-wom) and intention to visit destination, in such way that the relationship will be weaker when individual is high on neuroticism trait.

## Involvement

The general view of involvement has been one of "personal relevance" (Zaichkowsky 1985; Gursoy & Gavcar, 2003). It means, consumers' level of involvement with an object, situation, or actions is determined by the degree to which they perceive that concept to be personally relevant. This is represented by the perceived linkage between their needs, goals, and values, and their product knowledge. To the extent that product characteristics are associated with personal goals and values, consumers will experience strong feelings of personal relevance or involvement with the product (Celsi and Olson 1988; Gursoy & Gavcar, 2003).

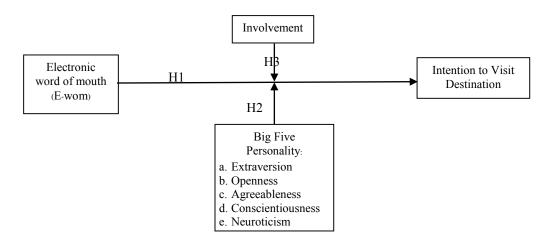
According to Peter and Olson (2008), customer involvement is the consumer's perception of the importance or personal relevance of an object, event or activity. Consumers who see that the product has relevant consequences personally said to be involved with the product. According to Kotler and Keller (2012), consumer involvement is related to consumer interest regarding a particular object. With increasing involvement, consumers have greater motivation to pay attention, understand, and elaborate information about a product, therefore he will pay more

attention to the e-wom he received from social media (instagram). Based on these theoretical foundation, it can be hypothesized that:

H 3: Involvement moderates the relationship between electronic word of mouth (e-wom) and intention to visit destination, in such way that the relationship will be stronger when individual is high on involvement.

## **Conceptual Frame Work**

Conceptual frame work in this study can be seen in picture 1.



Picture 1. Conceptual framework of the study

## **Research Methodology**

## Population and sample size

Population in this research is instagram user who have read e-wom about tourism destinations. While the sample in this study is Instagram users who have read e-wom about tourist attractions in the city of Batu, Malang. Kota Batu, Malang was chosen as a research location, because this city is one of the city in Indonesia which become the most favorite tourist destination of visitors. Sampling is done by accidental sampling technique, by spreading the questionnaire online by using Google form. Researchers distributed questionnaires through Instagram accounts with the hashtag Batu Malang or Batu Malang Tourism. The data collected from December 2017 until April 2018. The total sample is 376 subjects.

## Measure

The data were collected using four scales, i.e. intention to visit destination, e-wom scale, big five personality scale, and involvement scale. The intention to visit destination scale modifies the

intentional scale of Kautonen, et al (2013) compiled based on Ajzen's theory (2011). Modifications made is to change the object of intention from the entrepreneurial intention to be the intention to visit the destination. Intention scale is 3 items. The e-wom scale adapt from the Bataineh scale (2015) to 13 items. The scale of big five personality uses the scale of Ramdhani (2012) based on theory by Costa & McCrae, (1996). Scale involvement adapted from Gursoy & Gavcar, (2003; Yeh, 2013; Suhartanto, 2018), consists of 5 items.

Prior to be used in this research, the reliability of these scales were tested to Brawijaya University students who have seen e-wom about Batu Malang city tourism. Reliability test results for intention to visit destination scale shows the results of 0.882, reliability of e-wom scale is 0.842, and involvement scale is 0.871. While the reliability of the big five scale using the Ramdhani scale reliability, because the characteristics of the subject is already appropriate, and obtained reliability results 0.73 for extraversion, 0.76 for agreeableness, 0.78 for conscientiousness, 0.74 for neuroticism, and 0.79 for openness. Based on these results of high reliability, then these measuring tools can be used in this study.

#### **Data Analysis and Discussion**

#### Main effect regression analysis )Electronic word-of-mouth(:

Table 1 shows the regression analysis between electronic word-of mouth as independent variable and intention to visit destination as dependent variables. The result indicates that the electronic word-of-mouth had a significant effect ( $\rho$ =0,00 or less than 0.05) on intention to visit destination ( $\beta$ =0.361). The result provided a sufficient evidence to support H1. Constanta was 3,43, so it can be conclude that the regression equation is Y= 3,43 + 0,361X. It means that without ewom, subject have intention to visit destination as 3,43 and the  $\beta$  value shows that one unit increase in electronic word-of-mouth would bring 0,361 point in intention to visit destination. The R<sup>2</sup> value of this model is (0.269) which means that independent variable has explained 26,9% variance in intention to visit destination.

Table 1. T	he Result of Data Analys	sis		
Hypothesis:	Variabel	P Value	<b>R</b> <sup>2</sup>	$\Delta \mathbf{R}^2$
1	Constant	.012	.269	
	E-wom	.000		
2a	Constant	.605	.322	.053
	E-wom	.038		
	Extraversion	.047		
	E*E-wom	.018		
2b	Constant	.040	0.280	.011
	E-wom	.030		
	Openness	.002		
	O*E-wom	.012		
2c	Constant	.018	.312	.043
	E-wom	.025		
	Agreea	.044		
	A*E-wom	.007		
2d	Constant	.406	.273	.004

	E-wom	.703		
	Conscientious	.958	-	
	C*E-wom	.410	-	
2e	Constant	.542	.275	.006
	E-wom	.013	-	
	Neuroticism	.907	_	
	N*E-wom	.772	-	
3	Constant	.045	.373	.104
	E-wom	.009	-	
	Involvement	.017	-	
	I*E-wom	.007	-	

#### Moderation regression analysis

To test the role of the moderation of personality trait and involvement, two data analysis was performed. The first stage is to examine the direct influence of e-wom as an independent variable and intention to visit destination, as it has been done in hypothesis 1. The next step is done by entering the independent variable as X1, moderator variable as X2, and variable X1. X2 as X3 simultaneously. The effect of moderation can be seen by comparing  $R^2$  on the direct effects (H1) and  $R^2$  on the influence of moderation.

#### Moderation with extroversion

Hypothesis 2(a) predicted that extroversion moderates the relationship between e-wom and intention to visit destination, such that it is stronger when an individual is highly extrovert. Results revealed that extroversion was interacted with electronic word-of mouth significantly (p=0.018, p<0.05) to predict intention to visit destination. When the role of e-wom to intention to visit destination is moderated by extraversion, the value of R<sup>2</sup> increases from 0.269 to 0.322. This means that there is an increase in the effect of 0.053 or 5.3% when e-wom is moderated by extraversion.

#### Moderation with Openness

Hypothesis 2 (b) predicted that openness moderates the relationship between e-wom and intention to visit destination, such that it is stronger when an individual is highly openness. Results revealed that openness was interacted with electronic word-of mouth significantly (p=0.012, p<0.05) to predict intention to visit destination. When the role of e-wom toward intention to visit destination is moderated by openness, the value of R<sup>2</sup> increases from 0.269 to 0.280. This means that there is an increase of influence of 0.011 or 1.1% if e-wom is moderated by openness.

## Moderation with Agreeableness

Hypothesis 2(c) predicted that agreeableness moderates the relationship between e-wom and intention to visit destination, such that it is stronger when an individual is highly agreeableness. Results revealed that agreeableness was interacted with electronic word-of mouth significantly (p=0.007, p<0.05) to predict intention to visit destination. When the role of e-wom toward intention to visit destination is moderated by agreeableness, then the value of  $R^2$  rises from 0.269

to 0.312. This means that there is an increase in the effect of 0.043 or 5.3% when e-wom is moderated by agreeableness.

#### Moderation with Conscientiousness

Hypothesis 2(d) predicted that conscientiousness moderates the relationship between e-wom and intention to visit destination, such that it is weaker when an individual is highly conscientiousness. Results revealed that conscientiousness wasn't interacted with electronic wordof mouth significantly (p=0.410, p>0.05) to predict intention to visit destination. When the role of e-wom toward intention to visit destination is moderated by conscientiousness, the value of  $R^2$ rises from 0.269 to 0.273. This means that there is an increase of influence of 0.004 or 0.4% when e-wom is moderated by conscientiousness and this increasing wasn't significant.

#### Moderation with Neuroticism

Hypothesis 2(e) predicted that neuroticism moderates the relationship between e-wom and intention to visit destination, such that it is weaker when an individual is highly neuroticism. Results revealed that neuroticism wasn't interacted with electronic word-of mouth significantly (p=0.772, p>0.05) to predict intention to visit destination. When the role of e-wom to intention to visit destination is moderated by neuroticism, the value of  $R^2$  rises from 0.269 to 0.275. This means that there is an increase in the effect of 0.006 or 0.6% when e-wom is moderated by neuroticism and this increasing wasn't significant.

#### Moderation with Involvement

Hypothesis 3 predicted that involvement moderates the relationship between e-wom and intention to visit destination, such that it is stronger when an individual is highly involvement. Results revealed that involvement was interacted with electronic word-of mouth significantly (p=0.007, p<0.05) to predict intention to visit destination. When the role of e-wom to intention to visit destination is moderated by involvement, the value of R<sup>2</sup> rises from 0.269 to 0.373. This means that there is an increase of influence of 0.104 or 10.4% when e-wom is moderated by involvement.

#### Findings and Discussions

Primarily, result of data analysis shows that electronic word-of-mouth, demonstrate important impacts on intention to visit destination. Previous research have shown that e-wom messages influence the receiver's awareness, intentions and consideration of a product (Grewal, Cline, & Davies, 2003). Prior literature concerning consumer's behaviours, such as purchase intention, argued that such behaviours take place after the consumers' general evaluation of a product, service or brand. In other words, future consumption behaviours are shaped by their assessment of products or services entwined with external stimulating factors (i.e. e-wom). This result consisten with previous studies (Zarrad & Debabi, 2015) that ewom effect intention to buy. In the tourism industry, the effect of eWOM is especially strong. Intangibles such as tourism services cannot be evaluated in advance of use. Hence, purchasing intangible products and services involves higher risk. Then, customers are more dependent on the online interpersonal influence and eWOM.

The moderating role of the personality traits has been investigated. It has been shown that from all the personality traits, only extraversion, openness, and agreeableness that have significant moderating role as hypothesized. Conscientiousness and neuroticism didn't play significant moderating role. Result indicates that an individual with trait of extraversion moderates the relationship between e-wom and intention to visit destination. These result suggested that extraverts see online social networking sites as a supplement to their communication rather than a replacement. For example, individuals high on the trait of extraversion were found to belong to significantly more groups in social media. (Husnain et al., 2016). Since extraverts are more involved in social activities, it is reasonable to assume that these individuals preserve ties to their groups, exchange opinions about product and services, or experience visiting destination, that have ultimate impacts on intention to travel.

Result indicates that an individual with trait of openness also moderates the relationship between e-wom and intention to visit destination. To engage in e-wom communication activity as one who is more cultured, imaginative, original, curious, intelligent, broad minded and artistically sensitive are also more prone to display intention to visit destination. Seeing that those who possess the trait of openness to experience are more likely to have an extensive variety of interests and a willingness to pursue those interests through unusual means like visiting new destination. Contributing to this require a certain level of openness and is normally driven by novelty seeking people. It may be that those who have high levels of openness to experience are more interested in looking for new things, like a new destination. This outcome is in line with what was hypothesized. Result indicates that an individual with trait of agreeableness also moderates the relationship between e-wom and intention to visit destination. Agreeableness personality comprises kindness, altruism, trust, affection, and other social behaviors that positively impacts on the ability of subjects to trust information in ewom. So that, this trait could moderate the relationship between ewom and intention to visit destination.

Conscientiousness didn't moderate the relationship between ewom and intention to visit. Individuals with high conscientiousness are mostly careful, with strong will and accurate goal. Individual high in conscientiousness tend to be organized and mindful of details. This implies that individuals with high conscientiousness are doubtful to the network messages therefore, will not easily trust information from ewom (Brown et al.,2007). In a result, they wouldn't intent to visit destination after they read an ewom. Neurotic individual experience anxiety did not spend considerable time thinking about electronic word-of-mouth communication for shopping impulsively, and therefore, experience the anxiety which leads to their behaviors. These results are in line with previous studies, as due to low anxiety, depression, self-esteem they act as compulsive buyers (Mowen & Spears, 1999).

One of the main aspects in the consumer behavior and the decision processes' understanding is the concept of involvement, because it influences the decision rules used by tourists to reach the final decision )Sirakaya & Woodside, 2005. (In the context of recreation and tourism, it define as a psychological state of motivation, arousal or interest between an individual and recreational activities, characterized by the elements of pleasure value, risk probability and consequences, and sign value. Further, they suggest that recreation and tourism involvement affects the way a person searches, evaluates, and participates in tourism activities. When a person is involved with something, he or she will have stronger attitudes concerning the product or activity.

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## PERCEIVED AUTHENTICITY, EXPERIENCE AND VISITORS' BEHAVIOUR AT A PERMANENT MUSEUM EXHIBITION

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## Abstract

The concept of authenticity is of importance for heritage management, as authenticity is a driving force for tourists to travel to distant places and visit cultural attractions. As such, authenticity is particularly important to museum visitors, with authors confirming that authenticity is the central theme of contemporary museums (Prentice, 2001). Despite the increasing recognition of the value of authenticity and the abundance of recent studies on the topic, authenticity remains a complex concept in need of further discussion and application to different tourism settings.

In the field of museums, academic research has generally focused on object authenticity with most of the work concentrating on demographic characteristics to explain its perception (Wait, 2000). Based on heritage sites, the work of Kolar and Zabkar (2010) fills a gap in the study of cultural attractions and investigates both object and existential authenticity. Whereas authenticity has been initially discussed through an objectivist approach with experts holding the knowledge of whether a museum artefact or exposition is authentic or not (Wang, 1999), recent studies have focused on existential authenticity, a concept based on Heidegger's philosophy and where tourism activities are a way to find the inner self, reflecting one's own true personality and character.

The present work is based on a research conducted at the South Tyrolean Museum of Archaeology in Northern Italy. This museum documents the Ancient History of South Tyrol, presenting outstanding local discoveries from Prehistory to the time of Charlemagne (800 AD). Within this museum, the Iceman (commonly known as "Ötzi") occupies a central position in the exhibition area and is without doubt one of the main attractions. The Iceman is a 5000-year-old and fully intact glacier mummy discovered on the Schnals Valley glacier in 1991, together with

accompanying clothing and equipment artefacts. This extraordinary discovery provides for unique insights into the life of a man travelling at high alpine altitude in the Chalcolithic Period. Thus, the museum is renowned and mainly visited for the "Iceman" treasure.

The aim of this work is to investigate the perception of authenticity in terms of the history of the Iceman and the customer experiences at the exhibition and how these are related to visitors' behaviour. The sample of analysis consists of 724 museum visitor responses. A factor analysis is conducted to determine the main components that form the perception of authenticity and experience. Using an ordinary linear squared regression model, we explore the determinants of the components of authenticity. Furthermore, we utilise a Tobit regression to explore how the perception of authenticity affects the length of visits to the museum, as well as the shopping behaviour at the museum shop. Our findings will help museum managers and marketers to better structure and improve promotional campaigns, and to enhance visitors' experiences.

Keywords: museum management, authenticity, visitors' behaviour

## 1. Introduction

The concept of authenticity is of particular importance for heritage management as authenticity is driven force for tourists to travel to distant places. Nowadays tourists quest for authenticity becomes determinant factor in the provision of cultural heritage offering (Ramkissoon & Uysal. 2011). Authenticity is especially important for museum visitors. Many authors confirm that, authenticity is the central theme of contemporary museums (Prentice, 2001).

Most of scholarly research in the field of museum research concentrated on the evaluation of authenticity. The main question in these studies is whether a certain site is perceived as authentic or not, and why (Waitt, 2000). Few attempts have been made to disentangle the determinants of authenticity besides using demographic characteristics to explain it (Wait, 2000). Some of these attempts are the studies by Kolar and Zabkar (2010) and Kirillova et al. (2017) that relate cultural motivations to existential and object-based dimensions of authenticity.

Goulding (2000) evidenced three types of visitors based on their perception of authenticity. For 'existential' visitors the most important motivation for visiting is enjoyment and escape. They mainly perceive authenticity through exhibited artefacts. 'Aesthetical' visitors perceive history mainly through art. 'Social' visitors are looking for learning and social experiences. Their main interest lies in assisting demonstrations and acquiring souvenirs in museum shops. The concept of authenticity is used to explain the probability to return to the museum or recommend it to friends and relatives, the loyalty dimension (Yi et al., 2017; Yi et al., 2018). Kolar and Zabkar (2010) find that cultural motivations, existential and object-based authenticity altogether influence loyalty to the site.

Our research is based on a case of South Tyrolean Museum of Archaeology. This museum documents the Ancient History of the South Tyrol and presents outstanding finds from the Prehistory (Stone Age, the Bronze Age, the Iron Age), Roman times, to the time of Charlemagne

(around 800 AD). Within this museum, the Iceman (best known as "Ötzi") occupies a central position in the exhibition area and is without doubt one of the main attractions. In 1991, an intact glacier mummy of more than 5,000 years ago was discovered in the Alps (Schnals Valley glacier), together with his accompanying artifacts (clothing and equipment). This was an extraordinary finding that provided a unique sight into the life of a man of the Chalcolithic Period who was travelling at high altitudes. Thus, the museum hosts unique historical treasure.

There are little doubts with regards to the authenticity of the mummy of Iceman, the object of our research. Our main interest in the present study are the factors that create authenticity, the settings that allow a positive experience of the story of the mummy and how these affect museum visitors' behaviors. The representative sample consists of 724 visitors to the museum. To address these questions, several research technics are implemented. We use factor analysis to determine the main factors that constitute the perception of authenticity. With the help of ordinary linear squared regression, we explore the determinants of the components of authenticity and experience. Next, we justify and implement Tobit regression to explore how perceptions of authenticity and experiential settings affect the length of the museum visit and shopping behavior at museum shop. Our findings will help museum marketers to better structure promotion campaign. Managers are given precious insights on how to improve visitor's flows. Moreover, knowing the determinants of the shopping expenditure at the museum store will help managers to develop assortment of souvenirs and better manage their stock.

The paper is organized as follows. In the next section, literature review is provided on relevant research on authenticity and its relation to museums. In Section 3 the case study is described. Section 4 collects empirical research. In this section we describe research methods and provide account of empirical findings. Discussion and conclusions are provided in the last section.

## 2. Literature review on authenticity in museums

There is no general agreement in the literature on what constitutes authenticity and how to evaluate it (Osti, 2017). In particular, the dispute is whether authenticity is an objectively identifiable property of objects and cultures, or a subjective, socially and individually constructed perception of them. As reported by Hughes (1995), MacCannell has been one of the first academics dealing with authenticity in tourism. Almost four decades ago, MacCannell (1973) introduced the concept of authenticity or better "staged authenticity" to sociological studies of tourism motivations and experiences (Wang, 1999). Since then, this topic has gradually become an issue of particular interest in tourism field (Wang, 1999). MacCannell's interpretation of authenticity was based on object's or experience's degree of originality. Judging objects or experiences according to their extent of genuineness assumes that there is an absolute, objective criterion (i.e., a tangible origin) against which to gauge it.

An alternative view is that tourists' can have authentic experiences even when they are perfectly aware that the setting has been modified to please tourists (Cohen, 1988). In this way Cohen (1988) draws on the concept of "staged authenticity" introduced by MacCannell (1973). As described by

Cohen (1988), more and more artificial cultural products are "staged" to please tourists. These products pretend to appear authentic although they are the result of a growing pressure for "spectacular, exotic and titillating attractions" to be shown to tourists (Boorstin, 1964, cited by Cohen, 1988).

A further important question is about the source of authenticity, what can be authentic. According to Wang (1999) there is a need to distinguish between authenticity related to objects and authenticity based on bodily feelings and self-making. Thus, a sharp distinction is drawn between object-based authenticity and existential authenticity that can be completely independent from each other.

Most scholarly research in the field of museum research concentrated on the evaluation of authenticity. The main question in these studies is, whether a certain site is perceived as authentic or not, and why (Waitt, 2000). Few attempts have been made to detangle the determinants of authenticity besides using demographic characteristics to explain it (Wait, 2000). One of these attempts is the study of Kolar and Zabkar (2010) that relates cultural motivations to existential and object-based dimensions of authenticity. Goulding (2000) evidenced three types of visitors based on their perception of authenticity. For 'existential' visitors the most important motivation for visiting is enjoyment and escape. They mainly perceive authenticity through exhibited artefacts. 'Aesthetical' visitors perceive history mainly through art. 'Social' visitors are looking for learning and social experiences. Their main interest lies in assisting demonstrations and acquiring souvenirs in museum shops. Chhabra et al. (2003) found that involved and knowledgeable tourists perceive higher levels of authenticity and Brida et al. (2014) discovered that authenticity perception is a dynamic experience and it is based on the particular characteristics of each heritage site. Moreover, perceived authenticity increases satisfaction with the visit to a museum (Hede et al., 2014) and loyalty towards it (Kolar and Zabkar, 2010).

## 3. Bolzano as cultural destination

Bolzano is a city of approximately 104,000 inhabitants, and the provincial capital of the autonomous province of Trentino Alto Adige, situated in the North-East of Italy (Figure 1). The economy is based on tourism, high-quality intensive agriculture (including wine, fruit and dairy products), traditional handicraft (wood, ceramics) and advanced services. Bolzano combines different cultures that blend Italian and North-European architectonic features. Churches, palaces, castles and museums are of most artistic value.

In the last two decades, the city has experienced a new impulse to the cultural life that brought the openings of numerous museums as well as multiple summer and winter events, such as the "Christmas Markets". The city has a diversified cultural offer, that ranges from enogastronomic activities in the valleys, to mountain holiday and well- known cultural events, such as Südtirol Jazz Festival and Bolzano Festival. Bolzano hosts also many art galleries as "Galleria Goethe", "Galleria Civica", "Galleria Les Chances de l'Art" and since1905 has opened the first museum of the entire region, the Civic Museum of Bolzano. A number of other museums have been opened

in the last two decades. This growing trend shows a increasing attention towards arts and culture: in 1985, the "Museion", a modern and contemporary art museum; in 1995, the "Schulmuseum", a museum of the school, the first one of this genre in Italy, based on the Mittel- Europe experience; in 1997, the Natural Science museum of Alto Adige; in 1998, the South Tyrol Museum of Archaeology, a Mercantile Museum, the "Dommuseum" opened in 2007 and the Technikmuseum (opened in 2005) the first virtual museum in the province that hosts the technical achievements in the past 200 years; Bolzano has the oldest cableway in the world. It is also has a "nativity scene" (presepio) Museum, in addition, in 2006, the Firmian Castle of Bolzano was devolved as a museum center for the Messner Mountain Museum project. Referring to the latter and to the South Tyrol's Museum of Archaeology, the Sunday Times (The Sunday Times, May 31, 2006) described Bolzano as the "world's centre of mountain history and achievement".

The Archaeological museum, opened on March 1998, hosts one of the world's best-known and - preserved mummies, Ötzi the Iceman. An intact body from the Copper Age, along with his clothing and equipment, was accidently discovered in 1991 in the Ötzal Alps where it had been preserved for more than 5,000 years. This extraordinary find, as a unique case in the world, has attracted researchers from around the world, and has become the main cultural pole of the city of Bolzano. The museum is approximately 1200mq and the entire first floor is dedicated to the Iceman findings. It has a permanent exhibition on Alto Adige's pre-historical past, and also hosts temporary exhibitions. Since it's opening, it attracted 250,000 visitors each year.

From a theoretical perspective, in the literature (see Evans, 2005), three models can be identified through which cultural activity is included into the urban regeneration process: the culture-led regeneration model, where the cultural activity has a high-public profile and is frequently cited as a symbol of regeneration; the cultural regeneration model, where culture is fully integrated into an ad hoc strategy along with other activities in the environmental, social and economic field (see e.g. the case of Barcelona in Balibrea, 2001). Finally, the cultural and regeneration model, where culture activity is not strategically integrated, and the planning and intervention is of small-scale. The city of Bolzano can be included into a cultural regeneration framework. Nowadays, the city of Bolzano offers a best practice example of cultural city. This is also confirmed by economic and environmental indicators that rank Bolzano as the Italian city with the highest standard of quality of life (Sole 24 Ore, 2010). Besides, the province of Bolzano ranks first in terms of economic freedom. Such a measure is estimated taking into account 38 indicators of its overall performance such as: Bolzano is the richest province in Italy in terms of GDP per capita with more than thirtysix thousand euro per resident, 2.6 times higher than the poorest province of Crotone. Besides, Bolzano city accounts for a rate of poverty of 4% of total province population (in the South of Italy it reaches 40%). It ranks second in terms of unemployment rate that reaches 2.8%, against the Italian average of 7.7% - as a matter of fact in Bolzano one in two women is employed. The average public expenditure in services is 417 euro, against a national average of 91 euro per capita (NuovaCosenza, 2011). Overall, Bolzano can be regarded as a province of excellence having a high performance in terms of business, jobs, public security, environment, health and well-being. These outstanding figures provide further evidence that Bolzano is actually following a sustainable path of growth within a culture and regeneration framework.

## 4. Empirical analysis

## 4.1 Research design

We base our measure of authenticity and experiential settings on the typology developed in Wang (1999). Wang expresses the view that authenticity is a complex construct that includes several dimensions. In experiencing the history of the mummy throughout the museum, the most important dimension is authenticity. This component of authenticity refers to perceptions of the mummy's exhibition representing a true story, a fascinating story, something unique. On the other side of the experience spectrum, we assess experience elements in terms of the appropriateness of the building and exhibition areas in hosting the exhibition. The notion of 'getting closer to history' is found to be the most important for experiencing the authenticity of heritage sites (Chhabra et al., 2003, Naoi, 2004). The context of the archaeological museum and the history of Iceman were considered in the development of the measurement items. We also collect information on cultural motivations of museum visitors. Previous research finds positive relationship between cultural motivations and perceived authenticity (Chhabra, 2003).

In this study, our interest is in how perceived authenticity and experiential settings are success factors for the management of a museum, namely, the length of stay at the museum and expenditure on museum' souvenirs. The survey was administered at the Ötzi museum in Bolzano, from June to August 2010, via face-to-face interviews, with the aim to determine museum impact on the territory. The respondents were selected with a quota random sampling procedure based on age and gender trying to capture heterogeneous demographics features. Finally, 724 complete interviews were successfully concluded.

The questionnaire contained in total 36 questions, organized in four blocks: the first section asked trip information, the next demanded information about the city of Bolzano, then information on the visit to the museum are collected and, as the last section, a sequence of questions on socioeconomics characteristics of the visitors. In the questions on how important is to visit Bolzano and the museum, information, motivation, satisfaction and loyalty a Likert scale was used ranging from 'not important' to 'very important' for the motivation factors, from 'strongly in disagreement' to 'strongly in agreement' for assessing tourist's satisfaction, and from 'very unlikely' to 'very likely' for the loyalty factors. Possibility to reply 'I do not know' was given to respondents.

## 4.2 Description of the sample

We analyze main characteristics of the sample in order to give a better understanding of visitors' profile and expenditure pattern (Table 1).

Table 1	. Sample	e characteritics	
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Residence (%):		Age (% in category)	
Bordering Region	10%	>55	17%
Trentino Alto Adige	2%	41-55	52%

Rest of Italy	18%	26-40	25%
Europe	60%	9-25	6%
Others	10%	Mean	45
Civil Status		Number family members	
Single/never married	14%	1-2	36%
Married or de-facto	80%	3-4	51%
Separate/divorced	4%	5	10%
Widow	2%	>5	3%
Income (% in category)		Education	
<€20.000	3%	Below high school	19%
€20.000-€40.000	22%	High school	32%
€40.000-€70.000	40%	College/ degree or more	49%
€70.000-€100.000	17%		
>€100.000	18%		
First visit in Bolzano (% yes)	58%	First visit to Archaeological Museum	90%
Visit Bolzano without Iceman(% yes)	62%	Visit other city with Iceman (% yes)	63%
Strong intention to return to Bolzano next year	24%	Strong intention to return to the IcemanMuseum	11%
(% yes)		next year (% yes)	
Strongly recommend Bolzano (% yes)	40%	Strongly recommend IcemanMuseum (% yes)	56%

Most visitors (69%) came from European countries other than Italy. They are primarily male (55%), married or in a de-facto relationship (80%), with a family of 3-4 (51%). Those between 41 and 55 years of age are more interested in the museum visitation (52%) than other age groups. Regarding educational levels, 49% had a college degree or higher and as far as income is concerned, 40% had a middle-high average income, whereas just 3% earn up to 20.000 euros per year.

For about 58% of the sample it is their first time in Bolzano and for 90% it is their first visit to the Archeological Museum. The greater part (62%) would equally visit the city, even if it were not hosting Ötzi. It reflects an enormous potentiality to attract tourists considered that 63% are willing to visit another city that would host it. Also, 11% expressed a strong intention to revisit the museum the following year, while 24% had a strong intention to come back to Bolzano and 40% would strongly recommend the city to relatives and friends. Besides, 56% declared that they will very likely advise relatives and friends to visit this museum.

Given the definition, 95% of the sample can be identified as tourists, since they spend at least one night outside the habitual place of residence. Considering the family unit that spends at least one night out, the average expenditure for accommodation is 96 Euro per night, and 61 Euro for food and beverages. On balance, visitors have a higher spending propensity in the museum shop, as well as in doing shopping in the city, than daily visitors (see Table 1). The descriptive statistics provide an insight into the attractiveness of this outstanding archaeological find and the role that the museum has in the urban context.

4.3 Authenticity analysis

4.3.1. Methodology

We use factor analysis to derive the underlying dimensions of authenticity and experiential settings. The present survey instrument contains a list of 15 items that define the experience of the history of the mummy. Formally, the following model can represent factor analysis:

$$av = \Lambda f + \Xi$$
,

(1)

where av corresponds to the matrix of visitors responses to authenticity items; f captures the matrix of factor scores that places visitors with respect of the authenticity factors;  $\Lambda$  is a matrix of factor loadings that shows correlations between the answers on authenticity items and individual factor scores and  $\Xi$  corresponds to the matrix of residual terms.

Factor analysis consists in the definition of covariance matrix of the observed answers to authenticity items

 $cov(av) = \Lambda\Lambda' + \Omega.$ 

This covariance matrix is broken down in two components: a common component, called the communality ( $\Lambda\Lambda'$ ) and a unique component, called the specific variance ( $\Omega$ ). This analysis permits to describe the proportion of variance in the observed variables that is determined by the authenticity factors by analyzing the communalities scores matrix. However, the communalities are not known. Thus, there is a need to estimate those communalities in a way that the underlying factor structure can reproduce them as accurately as possible. Hence, we proceed in the following: first, we conduct exploratory analysis in which initial common factors are extracted. Second, we conduct confirmatory analysis in which we test how well the factor structure is supported by the data. Third, estimation results of common factors are presented followed by corresponding interpretation.

## 4.3.2. Results of the factor analysis

First, we identify common factors that determine the experience. At this stage we do not specify the number of factors to be retained. Calculations are made with the use of Stata 11. Estimation results are presented in Table 2. The values above 0.5 are flagged with a star. Exploratory analysis gives rise to two main factors with corresponding Eigenvalues of 5 and 1,34. These values are higher than 1 and thus the factors' contribution to the variance is higher than contribution of a single variable.

Item	Factor 1 (authenticity – AU)	Factor 2 (Experiential Settings - ES)
The Iceman (Ötzi) is unique in the world	0.7489*	0.191
It is a true story	0.8254*	0.1686
It is a place that makes you think	0.7265*	0.2272
It is a fascinating story	0.8123*	0.2153

## Table 2. Rotated factor pattern

It is a way to describe a historical era	0.7747*	0.2142
I consider the Iceman (Ötzi) and his history authentic	0.6625*	0.1887
Atmosphere at the entrance	0.262	0.7265*
Relaxing areas	0.2254	0.7372*
The rooms that host the exposition	0.4334	0.5437*
The external building	0.2066	0.7384*
The road signs in the city center	0.0891	0.5975*

For confirmatory analysis, we test the appropriateness of the two-factor structure by computing Kaiser-Meyer-Olkin measure of sampling adequacy (KMO). The KMO measure for the given specification reaches 0.917, which indicates high adequacy of the structure. It means that variables considered in the analysis can be explained by two common factors and this description is excellent. We can conceptually describe the identified factors: *Factor 1* collects items that refer to perception and feelings of visitors. Concepts like 'Ötzi is unique in the world' or 'It is a way to describe a historical era' position this factor as expression of authenticity. A higher score on this factor indicates strong perception of authenticity. *Factor 2* collects several items that evaluate appropriateness of the museum building and its rooms to tell the fascinating story of the Iceman. Being related to settings we identify it as experiential settings.

## 4.3.3 Determinants of authenticity factors

Finally, we can compute individual experience scores. Based on equation (1) we can compute f, the matrix of individual factor scores. In order to better understand each individual experience score, we run a linear regression model:

$$\widehat{f_{EA,J}} = a_{0EA} + \sum_{k} a_{k,EA} x_{k,j} + u_{EA,j}$$

 $\widehat{\mathbf{f}_{\text{OBA},\text{J}}} = \mathbf{a}_{\text{OOBA}} + \sum_{k} \mathbf{a}_{k,\text{OBA}} \mathbf{x}_{k,j} + \mathbf{u}_{\text{OBA},j},$ 

for all j respondents.

Where  $\widehat{f_{EA,J}}$  is a vector of individual scores on existential authenticity,  $x_{k,j}$  is a vector with the observations of individual socio-economic characteristic k,  $u_{EA,j}$  is a vector of disturbance terms and a's are coefficients to be estimated.

The following characteristics of visitors were included as explanatory variables: (a) nationality, (b) age, (c) education level, total accommodation costs, (i) total food and beverage costs, (j) shopping expenditure in Bolzano, (k) expenditure in the museum shop, (l) actual time spent visiting museum, (m) expenditure on accommodation, (n) expenditure on food and beverages, (o) number of previous visits to museum, (p) motivations for coming to the city of Bolzano, (q) number of visits to the museum.

For each factor we fit two models. Model 1 corresponds to a broader model specification. Model 2 represents specification based on significant coefficients. Regression results are presented in Table 3. These results provide some interesting information. First, socio-demographic

characteristics do not provide an explanation of the experience, except for education level in the case of experiential settings. The corresponding coefficient carries negative sign; it means that visitors with higher level of education find the building of the museum inappropriate for telling the story of Iceman. In fact, the museum is situated in the historical building in the center of the city that was originally constructed as a bank. There is an ongoing discussion in the city council regarding the construction of the new building more suitable and more appropriate to host the mummy of Iceman and his history. Visitors who actually have seen the mummy (which is safeguarded in a special room with visitors able to observe the mummy through a small window) report higher perceived authenticity.

Motivational factors of visiting the city of Bolzano and of the museum also provide explanation to authenticity. Visitors who came to Bolzano to visit the museum report more authenticity, while respondents who admit that they would visit Bolzano even if the museum were not located in the city perceive less authenticity. Curiosity and willingness to learn about the story of the Iceman are the main cultural motives of visiting the museum that provide explanation to authenticity. It suggests that prior preparation to the visit and motivation create the feeling of authenticity before getting to the museum. Finally, respondents that came to Bolzano to relax report more authenticity.

Experiential settings, on the other hand, is more appealing to visitors who came to Bolzano to visit the city and other museums. Visitors reporting more suitability of the settings are those visitors visiting the museum to relax, to experience something different, or are following somebody's advise. Apparently, expectations of these visitors are more related to the city in general and the relaxed atmosphere of the museum, than to specific motivations of studying story of the Iceman. Both, authenticity and experiential settings, are related to the probability to recommend friends and relatives visiting the museum.

## 4.4 The impact of authenticity and experiential settings on visitors' behavior

In the present section we present analysis of several variables of interest for museum manager, namely, duration of the visit to the museum, expenditure in the museum shop, intentions to visit the museum within next 5 years and recommend visiting the museum to friends and relatives. We will explain these variables through authenticity and experience along with socio-economic characteristics and travelling behavior.

## 4.4.1 Analysis of the duration of the visit to the museum

We analyze the duration of the visit to the museum. Knowing the determinants of this variable will help management of the museum to better manage visitor flows. In the questionnaire we collected information on the duration of the visit to the museum. The average visiting time was 90 minutes, with a minimum of 30 minutes and a maximum of 3 hours. We run the following simple linear regression model to explain the duration of the visit to the museum

 $\widehat{\text{Duration}}_{j} = a_0 + \sum_k a_{jk} x_{jk} + u_j,$ 

where Duration<sub>j</sub> is individual duration of the visit to the museum,  $x_{k,j}$  is a vector with the observations of individual factor loading and socio-economic characteristic k,  $u_{EA,j}$  is a vector of disturbance terms and a's are coefficients to be estimated. In Table 4 we present the model based only on significant coefficients.

Variables	Authenticity		Experiential settings	
	Model 1	Model 2	Model 1	Model 2
Nationality (reference group Italians)	0.0279 (0.0771)		0.0401 (0.0940)	
Gender	0.0141 (0.0602)		-0.0607 (0.0733)	
Age	0.0037 (0.0028)		-0.0049 (0.0034)	
Education	0.0147 (0.0180)		-0.0466** 0.0220)	-0.0470** (0.0183)
Shopping expenditure in Bolzano	0.0000 (0.0002)		0.0002 (0.0002)	
Expenditure at the museum shop	-0.0004 (0.0034)		0.0039 (0.0041)	
Expenditure on accommodation	-0.0006 (0.0004)		0.0007 (0.0005)	
Expenditure on food & beverage	0.0002 (0.0004)		-0.0003 (0.0005)	
Time spent visiting museum	-0.0003 (0.0006)		-0.0007 (0.0007)	
Number of previous visits	-0.0008 (0.0244)		-0.0133 (0.0297)	
Came to Bolzano to visit the city	-0.0155 (0.0302)		0.1048*** 0.0368)	0.0885*** (0.0261)
Came to Bolzano to visit museum	0.0579* (0.0312)		-0.0488 (0.0380)	
Came to Bolzano to visit other	-0.0340 (0.0273)		0.1077*** 0.0333)	0.0899*** (0.0259)
museums				
Came to visit South Tirol	0.0400 (0.0297)		0.0003 (0.0362)	
Came to visit friends & relatives	0.0447 (0.0353)		-0.0731* (0.0430)	
Business/study trip	-0.0218 (0.0345)		0.0742* (0.0421)	
Came to Bolzano to relax	0.0482* (0.0250)	0.0498** (0.0197)	0.0056 (0.0305)	
Would visit the city anyway	-0.2088***(0.0746)	-0.1918*** (0.0675)	0.0286 (0.0909)	
Would visit any other city hosting the	-0.1611* (0.0946)		0.1036 (0.1153)	
museum				
Probability to return to museum	-0.0009 (0.0248)		0.0491 (0.0303)	0.0409* (0.0234)
within 5 years				
Probability to recommend museum	0.2589*** (0.0297)	0.2648*** (0.0248)	0.0681 (0.0361)	0.0821*** (0.0252)
Bad weather	0.0204 (0.0248)		-0.0068 (0.0302)	
Relax	-0.0352 (0.0261)		0.0539***(0.0319)	0.0572**(0.0242)
Learn about Iceman	0.1295*** (0.0337)	0.1657*** (0.0276)	0.0377 (0.0411)	
Learn about South Tyrol archeology	-0.0364 (0.0281)		0.0118 (0.0342)	
Experience something different	0.0443 (0.0270)		0.1380*** (0.0329)	0.1159*** (0.0245)
Had nothing better to do	-0.0584 (0.0394)		-0.0399 (0.0480)	
To stay with partner, friends	-0.0198 (0.0289)		-0.0074 (0.0352)	
Was advised to do so	-0.0130 (0.0256)		0.0782** (0.0312)	0.0543** (0.0238)
Curiosity	0.0990*** (0.0248)	0.0733 ***(0.0206)	-0.0070 (0.0302)	
Work/study visit	-0.0208 (0.0316)		-0.0416 (0.0384)	
Seen the mummy itself	0.2808* (0.1463)	0.3361*** (0.1252)	-0.1093 (0.1783)	
Number of visits to museum	0.0198 (0.0610)		0.0206 (0.0743)	
Const.	-1.6861*** (0.2775)	-1.7639*** (0.1516)	-0.5277*** (0.3382)	-0.7973*** (0.1285)
AdjR2	0.3899	0.3973	0.2224	0.2114

Table 3. Experience and social and motivational characteristics

Notes: \*\*\*, \*\* and \* indicate statistically significance at the 1%, 5% and 10% level, respectively;

Visitors who report higher perceived authenticity spend more time in the exposition. Those who actually viewed the mummy, spent around 22 minutes longer at the museum. Respondents who claim they would visit another city that hosts the Iceman, spent 13 minutes longer. Tourists who came to Bolzano to visit South Tyrol also spent more time inside the museum. Visitors who planned their visit to museum time ahead of travel spend more time at the museum, reaching 11 minutes more those for respondents who had decided to visit the museum at least one month before travel.

Families with children under 6 years of age spent relatively less time in the exposition. Apparently, small children may get annoyed during the visit, since the museum does not provide for special rooms or sufficient relaxation areas to meet the needs of these families. Respondents who visited the museum for work or study tend to stay a smaller amount of time at the museum. Tourists travelling in organized group spent almost 22 minutes less, since organized groups are usually under time pressure and are not allowing individuals to enjoy the visit at their own pace. The experiential settings did not have significant influence on the duration of the visit.

Variables	Coefficients	
Authenticity	5.8166**	(2.4756)
Experiential settings	-0.7108	(2.4076)
Visit South Tyrol	5.3030***	(1.5341)
Visit museum for work/study	-4.1021**	(1.8004)
Would have visited another city that hosted Iceman	13.1220***	(4.2916)
Seen the mummy itself	22.2607**	(8.7956)
Travelling with organized group	-21.5719***	(7.1383)
Time when decided to visit museum	2.3845*	(1.3495)
Number of children under 6	-7.2464**	(3.1494)
constant	51.6709	(10.4897)
R2-adjusted	0.0897	, í

Table 4. Duration of the visit to the museum and its determinants

Notes: \*\*\*, \*\* and \* indicate statistically significance at the 1%, 5% and 10% level, respectively;

## 4.4.2 Analysis of expenditure at the museum shop

Analysis of the determinants of expenditure at the museum shop is of great importance for the management of the museum. Knowing who is a target customer may help to improve the assortment of souvenirs and to better handle inventories. Information on whether respondents visited the museum shop and how much they spent there is of particular interest.

Spending\_shop<sub>1</sub> =  $a_0 + \sum_k a_{jk} x_{jk} + u_j$ ,

The spending at the shop can take the value 0 with positive probability and it is a continuous variable over strictly positive values. In fact, individuals attempt to solve the maximization problem of how much to spend. For some of these individuals, the optimal choice will be the corner solution, Spending shop = 0. Wooldridge (2002) points at the problem of using OLS in this particular setting, hence, a standard censored Tobit model is used with the following structural

equation

 $\widehat{y_{i}} = X_{i}\beta + \epsilon_{i},$ 

where  $y_i$  is a latent variable that is observed for values greater than  $\tau$ , and censored otherwise. In our case, we assume  $\tau = 0$  and thus receive

$$y_i = \begin{cases} \widehat{y_1} & \text{if } \widehat{y_1} > 0\\ 0 & \text{if } \widehat{y_1} \le 0 \end{cases}$$

The Tobit model is estimated with log-likelihood by using Stata 11 for calculations. The estimation results are presented in Table 5. Coefficients corresponding to authenticity and experiential settings are significant and positive, meaning that visitors who perceive the artifact as authentic and the setting suitable to experience the history of the mummy are willing to spend more on souvenirs. The authenticity component in the story of the Iceman induces an emotional state of excitement in individuals, defined by psychologists as 'hot' state. They appreciate some reminder of this state, which they find in souvenirs at the museum shop. Experiential settings, on the other hand, are related to the museum building, exposition design and relaxation areas. More suitable relaxation areas, the design of exposition rooms and the bar service allow individuals to reflect on the story they are presented with and hence can feel to be part of it. This contributes to emotional excitement, and thus results in higher spending on souvenirs.

We also find that numerous families are willing to spend more on souvenirs. This is related to the previous finding that families with small children are spending less time on visiting the museum. Visitors with higher educational levels are willing to spend more on souvenirs. This finding may be related to the fact that people with higher educational levels have higher incomes and, consequently, a higher propensity to spend. Unfortunately, most of respondents preferred to not declare their income. This renders income not being suitable for control in our analysis. We use reports on the spending at the shops in Bolzano as a proxy of income levels and the general propensity of the sample to consume. Visitors who spend more in shops of Bolzano also tend to spend more in the museum shop.

Visitors who work occasionally or on a project basis tend to spend significantly less at the museum shop than other visitors. This may be due to their relatively lower income levels and the uncertainty regarding their income. Retired persons have a higher propensity to spend on souvenirs, as indicated by the significant positive coefficient on this variable. Visitors, for whom the museum visit was the main reason for coming to Bolzano spend more at the museum shop. The same is true for respondents who declared to have prolonged their stay in Bolzano to visit the museum. Nationality is not a significant determinant of the expenditure at the museum shop, as well as the fact of being day-tourist.

 Table 5. Determinants of the expenditure at the museum shop

Authenticity	4.810*** (1.520)
Experiential settings	2.879** (1.417)
Number of family members at the visit	1.983** (0.827)
University degree	8.696*** (2.674)
Occupied as autonomous worker	-2.824 (4.645)
Occupied as employee	-3.785 (3.786)
Working occasionally or on projects	-20.392* (12.310)
Retired	9.535* (5.000)
Dummy museum as main motivation to come to Bolzano	5.243** (2.701)
Dummy nationality (Italians are the reference group)	-0.898 (2.795)
Dummy tourist	-5.872 (5.338)
Expenditure at the shops in Bolzano	0.013* (0.007)
Extended stay to visit museum	10.873* (5.790)
Constant	-22.570*** (6.813)

Notes: \*\*\*, \*\* and \* indicate statistically significance at the 1%, 5% and 10% level, respectively;

#### 5. Discussion and conclusions

In this study, we explore dimensions of authenticity observed in visitors to South Tyrol's Museum of Archeology. By using factor analysis, we individuated two factors corresponding to the dimensions of experience, authenticity and experiential settings. Analysis of the determinants of experience reveals that these concepts are not explained by socio-demographic characteristics, except for experiential settings being negatively related with education levels. This negative correlation is explained by the fact that visitors with higher education, and presumably larger experience in visiting museums, perceive the building and hosting rooms of the museum as inappropriate to host the story of the Iceman. The historical building hosting the museum in the center of Bolzano was originally constructed as a bank and is structurally ill suited to host the museum. This finding suggests that the city should consider more appropriate and more authentic placing of the Iceman mummy.

Two distinct profiles of visitors' motivations emerge which contribute to each dimension of experience. Authenticity is mainly explained by the strong motivation of visitors to visit the museum. Visiting the museum was the main reason for coming to Bolzano and the curiosity of the story of the Iceman the main reason for visiting museum. Observing the mummy of the Iceman through a window increases the level of perceived authenticity. We hypothesize that pre-visit motivation is essential for rising perceived authenticity. Individuals start savoring the story a long time before the actual visit takes place.

The motivational profile that characterizes experiential settings consists of more general cultural motivations for visiting the city and museum. Thus, visitors who enjoy the general architecture of the city and are looking for relaxation when visiting the museum are more influenced by object-based authenticity.

The relationship between cultural motivations and perceived authenticity has been developed along the consumer-based model of authenticity of Kolar and Zabkar (2010). Our findings are in line with this model, as well as with those of Chhabra et al. (2003) who found that involved and

knowledgeable tourists perceive higher levels of authenticity. We hypothesized that these motivations create specific expectations that visitors may confirm during their visit. Thus, marketers of the museum should underline the dimension of authenticity in their promotion of the museum.

We also find that authenticity, but not experiential settings, positively affects the length of the visit to the museum. Observing the mummy increases the visiting time by 22 minutes and seeing the mummy increases the interest in the story of the Iceman. Families with small children and organized groups spend less time at the museum.

The overall experience is important for souvenir purchase descisions, with both components of experience, authenticity and experiential settings, contributing to this decision. The perception of authenticity induces an emotional state of excitement in individuals. Reminders of this state are find in souvenirs at the museum shop. Experiential settings include, among other factors, suitable relaxation areas, a specific design of exposition rooms, and bar service. These factors allow individuals to reflect on the story and to be part of it. This also contributes to the emotional involvement discussed, and thus leads to higher spending on souvenirs. Retired persons and families with children tend to spend above average in the museum shop. Managers should have this in mind when deciding on the assortment of the souvenir items. The findings of this study underline the importance of pre-visit motivation for the perception of authenticity and higher propensity to spend at the museum shop.

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# A RESEARCH ON THE PERSPECTIVE ASPECT OF SALES ON THE INTERNET IN THE PASSENGER TRANSPORTATION SECTOR, SAMPLE OF TCDD-ANKARA-KONYA HIGH SPEED TRAIN PASSENGERS

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# Abstract

Road transport is an important sector that produces new transportation models to meet the changing needs of people. In Turkey, railway transportation was in the forefront until 1950's, and after 1950, road transportation had more progress than the railway transportation. However, with the global and technological developments in the transportation sector, high speed train lines have enabled the passengers to choose the train journey again from the 2000s onwards. In this study value added analysis of road passenger transport which is of importance especially for our country. The aim of this study is to investigate the points of view of customers who choose the high speed rail route for passenger transportation. The study has a quality of empirical research. In the study, survey technique is used as data collecting instrument. In the context of this study, questionnaires were applied to the passengers who selected to travel at the Ankara high-speed railway by chance sampling method. The data obtained in this study is analyzed by the programme of SPSS23. It is considered that the findings to be obtained at the end of the study will make contribution to eliminating the deficiency in the area and will present useful opinions toward the literature and application.

Key words : Road transport, High speed rail, sales on the internet, marketing

#### 1. Conceptual framework

1.1. Road Transport in Turkey

While rail transport forefront until the 1950s in Turkey, starting from this year, Marshall Aids is past the rule with the impact of road transport within the scope of the planned period. Sea transport in the 1980s and the air transport began to develop after 1990. However, especially in maritime transport could not be reached at desired levels. Significant improvements in the airline and rail transport have started to happen with the investments made in recent years. The establishment of a private airline will start the fast trains, such as making advances have transformed the two-way road transport sector in Turkey is also a major area of employment. Today, 89.5 % of the nominal current situation with 89.8 % of passenger transport and freight transport in Turkey are provided with transportation (Deniz, 2016:136).

The first railway in Turkey was constructed between İzmir-Aydın under the privilege granted to an English company in 1856. The construction of the 130 km. line was completed in 1866. Following an imperial rescript in 1871, construction of 91 km. Haydarpasa-Izmit line was completed in 1873 with the states own means. However, due to financial difficulties, construction of Anatolian Railways as well as Baghdad and Southern Railways were realized through German financing. 4.136 km. of the lines from 8.619 of the lines constructed in Ottoman Period, remained within the national borders of the new State. The Administration functioning as a supplementary budgeted public enterprise until 29.07.1953 was converted to a Public Economical Enterprise under the name "Republic of Turkey General Directorate of State Railways Administration (TCDD)". TCDD started HST operations on Ankara-Eskişehir HST Line commissioned on 13.03.2009. As of the end of 2015, HST operation is performed on a totally 1.213 km line including Ankara-Konya HST line commissioned on 24.08.2011 and Eskişehir-Konya HST line commissioned on 24.03.2013, Ankara-İstanbul HST Line commissioned on 25.07.2014 and commissioned İstanbul-Konya HST Line 18.12.2014 on (http://www.tcdd.gov.tr/files/istatistik/20112015yillik.pdf).

1.2. E-Commerce

Modern day technological innovations seriously changed the way of commercial life that we used to know, in general first piece of technological innovation introduced to our lives was through banking system, widely usage of credit cards and even companies using this payment method actively has shifted our payment methods online. Young entrepreneurs saw the oppurtunity for business' with free working hours and less inventory costs made the internet indispensable for marketing, advertising and trading (Mülküt, 2017).

2016 was a massive year for eCommerce businesses, here's a quick roundup of what happened (https://www.thewebbureau.ie/media/1511/ecommerce-trends-2017.pdf,Erişim Tarihi:22.05.2018)

• In the UK, almost half of all eCommerce transactions took place on a mobile device (48.9%), up 6% year-on-year

• The UK spent around £1.23bn online on Black Friday alone

• In the US, Black Friday generated \$3.3bn in online sales. That's a 17% year-on-year increase

• US consumers also spent an additional \$3.45bn on Cyber Monday, showing an annual increase of 12%

• Singles day (11th November) in China, brought in a huge \$17.8bn on Alibaba sites alone

• Australia also experienced rapid eCommerce growth throughout the year. Online sales grew by 12%, amounting to £10bn in total and accounted for 4.5% of all retail sales in the country! With such rapid growth, it is clear to see that eCommerce marketers are certainly doing something right.

Significant improvements in the airline and rail transport have started to happen with the investments made in recent years in Turkey. The establishment of a private airline will start the fast trains, such as making advances have transformed the two-way road transport sector in Turkey is also a major area of employment (Deniz, 2016:135).

Especially the use of internet as a commercial tool has caused the rise of electronic commerce. With high speed train, TCDD is the most technology utilizing industry among the other industries so it adopted electronic commerce quickly. While the use of internet as a distribution method in the TCDD provides a positive impact on distribution costs also creates a new dimension to the relationship with customers and intermediaries.

#### 2. Methodology

## 2.1. The subject of the Study

The purpose of this study is to identify the factors that influence the intention of customers who purchase electronic high speed train tickets via the Internet. In order to achieve this goal, a study was conducted on individuals who have purchased electronic tickets via the Internet at least once.

#### 2.2. The Study Method and Hypotheses

In the study, as a method of data collecting, survey method was used. In order to achieve this goal, a study was conducted on individuals who have purchased electronic tickets via the Internet at least once. The questionnaire was applied to the passengers who came to Ankara High Speed Train Railway with easy sampling method. In the first section, demographic information have been presented; in the second section, expressions toward purchased electronic ticket via the Internet of participants . As e-commerce scale taking place in the second section of the survey, a scale used by Korkmaz (2006)in graduate thesis (Cronbach Alpha:%81,6). Scale was measured on a 5-point Likert-type scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

## **3.** Findings of the Study

#### 3.1. Demographic Findings

In the scope of the study, the various demographic characteristics was calculated by the method of frequency analysis. As a result of the analysis carried out, as seen in Table 3.1, 168 out of 300 participants are females. 238 of them are singel. The majority of the participants are in the range of age 18-29 with 211 people. When regarded to the distribution of the school graduated from, the highest value is high undergraduate with 212 people. It is seen that 172 of the participants are students; The income of 136 participants is between 750-1000 TL.

		Frequency	Rate(%)
Gender	□ Female	168	56
		132	44
Marital Status	Married	62	20,7
	□ Singel	238	79,3
Age	□ 18-29	211	70,3
-	□ 30-39	51	17,0
	□ 40-49	28	9,3
	50-65	8	2,7
	□ Over 65 years	2	0,7
Education Level	Primary School	3	1
	Secondary School	3	1
	□ High School	18	6
	□ Two-Year Degree	36	12
		212	70,7
	□ Graduate	28	9,3
Job	□ Health Sector (doctor, nurse etc)	16	5,3
	Education Sector	18	6,0
	□Justice (judge, lawyer etc.)	9	3,0
		7	2,3
	Student	172	57,3
	Retired	3	1
	□Housewife	6	2 3
	□ Finance Sector	11	3
	□ Serbest Meslek (Hairdresser etc)	17	5,7
	□ Construction Sector	41	13,7
İncome	□750-1000TL	136	45,3
	□ 1001-1500 TL	45	15
	□1501-2000 TL	24	8
	□2001-2500 TL	20	6,7
	□2501-3000 TL	18	6
	□ Over 3501 TL	57	19
Total		300	100

#### 3.2. Validity and Reliability Analysis

Cronbach alpha value of 28 expressions forming at the end of reliability analysis conducted as a result of answers given to the expressions of use of e commerce is 87,3%. This also shows us that the scale of use of e-commerce was reliable.

# **Reliability Statistics**

Cronbach's Alpha	N of Items
,873	28

## 3.3. Descriptive Factor Analysis

Kaiser-Meyer-Olkin (KMO) informs us about the strength of the sample. KMO values showed that there was a sample strength of 87,5% for Use of e-Commerce Scale (a sample in perfect strength). Kaiser-Meyer-Olkin (KMO) value, found for suitability of sample,

shows whether or not a partial correlation between variables. If the significance value found as a result of Barlett test, is (0.000) in all dimensions, it shows that data comes from multi directional normal distribution. According to the information in the following Table 3.3., it is understood that the data used in the study are suitable for factor analysis and sample size is sufficient.

In factor analysis applied to the expressions regarding Use of e-Commerce scale, each of 28 expressions was taken as a variable and, as a result of factor analysis, it was reduced to six dimensions. In this direction, the first dimension is called *risk perceptions*, the second dimension *market orientation*, third dimension *technical reliability*, fourth dimension *user's web experience*, fifth dimension *web site quality*, sixth dimension *security of personal information*.

Table	3.3.	Factor .	Anal	vsis
1 11010	J.J.	I actor A		ybub

	Component					
	1	2	3	4	5	6
<b>21.</b> I believe that the sites that sell passenger tickets have the technical ability to do lots of transactions efficiently.	,728					
<b>20.</b> There are sufficient systems for easy recognition of an error in transactions made through passenger ticket selling sites.	,712					
<b>25.</b> All necessary information is provided in order to make transactions on the internet.	,710					
<b>28.</b> Passenger ticket sales sites rapidly adapt to the latest technology and offer customers a wider range of ticket sales services.	,628					
26. Sufficient information is provided about the service offered on passenger ticket sales sites	,616					
<b>8.</b> Most of the sites that sell passenger tickets over the Internet display an honest, attentive and attentive attitude towards their customers	,611					
<b>22</b> . I believe that most passenger ticket-selling sites have the ability to store personal data accurately and reliably.	,564					
10. Most Internet sites have the understanding that "the customer is always right".	,522					
<b>9.</b> I believe that most sites that sell tickets on the internet are behaving in a way that considers their customers' interests.	,520					
19. Customer ideas are effective in shaping the on-line service delivery.	,509					
27. Sites selling passenger tickets always update their information and enlighten their customers on	,480					
time.	,400					
15. Most of the sites that sell passenger tickets collect very good information about their customers						
13. I believe that buying tickets on the internet may be risky, because the use of the service offered		.873				
can be dangerous.		<i>y</i>				
<b>11.</b> I believe it may be risky to buy tickets online because the service offered may not meet my expectations.		,863				
<b>12.</b> I believe that buying tickets on the Internet may be risky, because the quality of the service offered may not be the way I want it.		,854				
<b>14.</b> I believe that buying tickets on the internet may be risky, as it may lead me to less communication with other people.		,737				
2. I believe that websites have the necessary technological knowledge to make ticket sales on the internet.			,819			
1. I believe that websites have the necessary hardware to make ticket sales on the internet.			.765			
5. Customers can predict the performance of most ticket sales sites based on past experience.			,664			
7. I feel comfortable trading with a ticket sales website where I have bought and satisfied tickets over the internet in the past.			,660			
<b>17.</b> Sites selling passenger tickets listen to customers ' complaints for their e-ticket service to be more effective.				,784		
18. Sites selling passenger tickets send complaints to relevant departments.				,727		
16. Most passenger ticket selling sites encourage customers to notify them if they have a complaint				,659		

4. The possibility of a technical problem arises when purchasing tickets over the internet is very				.696	
weak				,070	
<b>3.</b> For a person, when purchasing tickets over the internet, technological problems are not the most				.690	
important problem.				,070	
<b>6.</b> Most ticket sales sites are the same as what they have been made in the past in the future.				,572	
<b>23.</b> I believe that no one will be able to make tickets on behalf of anyone without the user's					,789
password.					,709
24. I do not believe that the membership information that I give to My Sites selling passenger					,697
tickets will be used elsewhere.					,097
Kaiser Meyer Olkin Measure (KMO)		8	37,5		
Bartletts Test of Sphericity	3553,836				
Sig	0,000				
Total Variance Explained By Factors		60	),312		

## 3.4. Independent Sample T-test

According to the information in the following Table 3.4;

# H11: Use of e-ticket of the participants significantly differentiate according to the gender.

p value turned out as .116. That is, since p value > a, H1<sub>1</sub> hypothesis is rejected. i.e. at the confidence level of 95%, between the mean values of the answers given the females and male participants to the questions of use of e-commerce, there isn't a statistically significant difference between females and males.

# H2<sub>1</sub>: Use of e-ticket of the participants significantly differentiate according to the marital status

p value turned out as .019. That is, since p value < a, H2<sub>1</sub> hypothesis is accepted. i.e. at the confidence level of 95%, between the mean values of the answers given the married and single participants to the questions of use of e-commerce, there is a statistically significant difference. In the answers given to the expressions of use of e-commerce, the mean of single participants turned out higher.

	equalit	ance ty test evene			T-tes	t for equal	ity of average	e		
	F Sig. 1		t	t df tailed) differences Std. error t df tailed) difference differences Lower						
<i>Gender/</i> Use of e- Commerce	Equal variances assumed	,245	,621	-1,577	298	,116	-,093	,059	-,209	,023
Commerce	Equal variances not assumed			-1,560	268,072	,120	-,093	,060	-,210	,024

Table 3.4: Results of Independent Sample T-test

<i>Marital</i> <i>Status /</i> Use of e-	Equal variances assumed	1,976	,161	-2,350	298	,019	-,169	,072	-,310	-,027
Commerce	Equal variances not assumed			-2,210	88,512	,030	-,169	,076	-,321	-,017

# 3.4. ANOVA Analysis

According to the information in the following Table 3.5;

H31: Use of e-ticket of the participants significantly differentiate according to the age. p value turned out as ,093. That is, since p value > a, H31 hypothesis is rejected. i.e. at the confidence level of 95%, between the mean values of the answers given the age groups of participants to the questions of use of e-commerce, there isn't a statistically significant difference.

# H4<sub>1</sub>: Use of e-ticket of the participants significantly differentiate according to the education level

p value turned out as ,134. That is, since p value > a, H4<sub>1</sub> hypothesis is rejected. i.e. at the confidence level of 95%, between the mean values of the answers given the Educational Level of participants to the questions of use of e-commerce, there isn't a statistically significant difference.

# H51: Use of e-ticket of the participants significantly differentiate according to the job.

p value turned out as ,412. That is, since p value > a, H5<sub>1</sub> hypothesis is rejected. i.e. at the confidence level of 95%, between the mean values of the answers given the job of participants to the questions of use of e-commerce, there isn't a statistically significant difference.

# H61: Use of e-ticket of the participants significantly differentiate according to the income.

p value turned out as ,791. That is, since p value > a, H6<sub>1</sub> hypothesis is rejected. i.e. at the confidence level of 95%, between the mean values of the answers given the incomes of participants to the questions of use of e-commerce, there isn't a statistically significant difference.

		Sum of Squares	df	Mean Square	F	Sig.
	Between Groups	2,043	4	,511	2,008	,093
Age	Within Groups	75,043	295	,254		
	Total	77,086	299			
	Between Groups	2,169	5	,434	1,702	,134
Educational Level	Within Groups	74,917	294	,255		
	Total	77,086	299			
	Between Groups	2,400	9	,267	1,036	,412
Job	Within Groups	74,686	290	,258		
	Total	77,086	299			
	Between Groups	,625	5	,125	,481	,791
Income	Within Groups	75,683	291	,260		
	Total	76,308	296			

Table 3.5. ANOVA

#### **Conclusions and recommendations**

High speed train lines have made highways fast and comfortable with its technological infrastructure. According to demographic variables, the differences in the e-ticket usage levels of participants were determined only according to the marital status. When we look at the averages, the average of satisfaction is high for single and student users who buy high-speed train tickets from the internet. the use of high-speed train reservation service, which is widely used by students in intercity transportation, has been increased even more with offered in internet environment. TCDD should support R & D investments that will maintain and improve service quality over the internet, which is frequently used by the younger generation, and continue its activities with innovative approaches.

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# THE INFLUENCE OF CASINO EMPLOYEE EMOTIONAL INTELLIGENCE ON GAMBLER RETENTION

#### **Catherine Prentice**

Drawing upon the conceptualization of emotional intelligence and analysis of the service encounter between casino dealers and gamblers, this study examines the influence of emotional intelligence on dealers' job attitude and behaviour, as well as those of gaming customers. Analyses are extended to link attitude and behaviour between dealers and customers. Data was collected in Macau casinos. The study involved a pilot test and face to face survey of dealers working at one of the casinos. Structural equation modelling was performed to test the proposed relationships. The results show that emotional intelligence has a significant effect on job satisfaction and that job satisfaction partially mediates the link between emotional intelligence and dealer retention. Dealer emotional intelligence also significantly affects customer attitude and retention. Customer attitude partially mediates the relationship between dealer emotional intelligence and customer retention. Highlights of this study are reflected in that an employee's emotional intelligence not only affects his or her job-related outcomes, but also impacts on customers- related outcomes. Customers' reaction also influences employee behaviours. The study findings have important applications for both researchers and practitioners. Theoretically, this study extends employee emotional intelligence research into customer attitude and behaviour analysis. Previous research on emotional intelligence in the organizational context has been primarily focused on its relationship with leadership, employee attitudes and behaviours. This study extends employee emotional intelligence into customer loyalty research through discussing the emotions relating to the service encounter between frontline employees and customers. In particular, the study contributes to the literature by linking employee retention with customer retention by linking customer attitude with employee and customer retention. The findings provide insights into employee-customer interactions and their reciprocal relationships, adding new perspective to the relevant literature. This is the first study that tests the relationship between employee emotional intelligence and customer response and connects employees and customers in regards to their attitudes and behaviours in the casino settings.

Keywords :emotional intelligence, job satisfaction, employee retention, customer attitude, customer loyalty, casino dealers

# RESEARCH ON THE PERCEPTION OF THE RELATIONSHIP BETWEEN TOURISM AND ENVIRONMENT: SAMPLE OF TOURISM STUDENTS OF SILIFKE - TASUCU COLLEGE

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and

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# Abstract

It is natural that tourism is an industry depending on environment much more than any other industry. As a result, environmental issues, such as the destruction of biodiversity, pollution, global warming, increasing of waste and the depletion of natural resources, affect tourism as much as other global issues, such as the economic crisis or terrorism. Tourism students are one of the shareholders of the sector and will play a vital role for their share in the sector after graduation from their school, and they are expected to do a good account of themselves. So we believe that responsibility for all shareholders of the sector in tourism activities reducing the impact of tourism on the environment equally.

Keywords: tourism, environment, environmental issues, global issues, tourism students' perception

# Introduction

Since tourism has become a generally recognized field of research, Tourism education is increasingly embedded in faculties or colleges of business and management(Wall, 2017). That's why the students of Tourism College are included in this study. This work studies the relationship between tourism and the environment which is mutually dependent. The tourism students are the individuals who will serve the tourists whose motivation is represented by the environment due to their natural, cultural-historical and social climate potential, while a clean and unchanged environment cannot exist without practising quality tourism. The more diverse and complex the natural resources are, the more interesting they are for tourism and the more interesting they are and more attractive (Bertan, 2009). At the same time, the deterioration of the natural environment due to daily human activities is experiencing increasing proportions of time with the considerable tourism development of recent decades. This endangers the tourism potential of reducing or even destroying its resources. However, tourism development is often a two-edged sword. It can

promote economic growth; meanwhile it can cause environmental pollution and ecological damage, if not well planned (Zhong, Deng, Song, & Ding, 2011).

Consequently, experts believe that tourism activities can lead to biodiversity deterioration by: fragmentation, destruction or deterioration of habitats, competition for natural resources, import of invasive species, tourist trekking, wildlife stress, etc. (Stefanicaa & Butnarub, 2015).

There are also a number of other activities that are developing along with tourism activities that can lead to deterioration in biodiversity. The issue of transportation and the environment is paradoxical in nature. From one side, transportation activities support increasing mobility demands for passengers and freight, and this ranging from urban areas to international trade. On the other side, transport activities have resulted in growing levels of motorization and congestion. As a result, the transportation sector is becoming increasingly linked to environmental problems. With a technology relying heavily on the combustion of hydrocarbons, notably with the internal combustion engine, the impacts of transportation over environmental systems has increased with motorization. This has reached a point where transportation activities are a dominant factor behind the emission of most pollutants and thus their impacts on the environment(Tahzib & Zvijáková, 2012). Moreover, air and road transport determines air pollution due to the constant evolution and increase in the number of tourists and their mobility. Currently, more than 60% of tourism transportation activities are realised via air travel. It is responsible for a significant proportion of harmful gas emissions, such as carbon dioxide. The emissions emanating from the means of transport and the emissions that result in the production of energy are closely related to acid rain. They determine the phenomenon of global warming and the serious local pollution phenomena. The phonic pollution caused by the means of transport by air and the cars, motorcycles, buses, but also the vehicles used for recreation (snowmobiles, jet skis and ATVs) are a growing tourism problem(Stefanicaa & Butnarub, 2015). This problem causes irritation, stress and even loss for the participant tourist activities. Recently, the increase and storage of waste is a major problem in areas where tourist activity is determined by the presence of special natural attractions. Improper storage can be a major factor in the deterioration of the natural environment. Water covers 71% of the earth's surface and constitutes a key component in all ecosystems. The economic value provided by aquatic ecosystems is estimated at three-quarter of the total value of the biosphere making these habitats most important to human livelihood and wellbeing (Costanza et al., 1997). The water pollution seriously affects the coral reefs because the waste water promotes algae formation and leads to hypoxia (decrease in oxygen concentration). This leads to: a) the death of fish, which reduces existing fish resources and degrades ecosystems; b) negative impacts on local residents and local tourism, as the water colours themselves turn red or green (depending on the algae species). As a result, there are some limitations, such as prohibiting swimming. All of these issues have a major impact on the natural environment, which is usually the determining element of travel (Stefanicaa & Butnarub, 2015).

# Methods and methodology

We used enquiry-based research as a working method using questionnaire techniques. The questionnaire provided us with information on the perception of tourism students regarding: a) the seriousness of environmental issues compared to other global issues; b) the main factors for improving environmental issues; c) responsibility for ecological education

The sample group studied is formed by the students studying tourism at vocational college and the Departments of Tourism and Hotel Management, Culinary, Tourism and Travel Agency, Tourist Guiding. i. e. Of the students who were at the time of conducting research in the analysed area (February 26<sup>th</sup> - March 08<sup>th</sup> 2018 – in Silifke, Mersin,Turkey). 3 hundred questionnaire paper s were delivered to the colleagues at the same college to implement to the students. 249 of them returned to be analysed. 4 of them were removed as they had missing variables or chosen the same variables imprecisely. The reliability of results was evaluated with the help of Cronbach's Alfa statistic (82.4%). They were descriptively analysed and their percentages were identified. The sample group is structured as follows:

• Depending on gender, 60.4 % of respondents are men and 39.4 % are women (Figure 1).

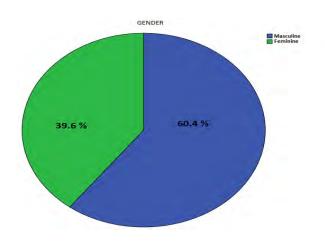
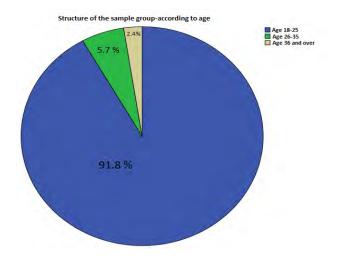
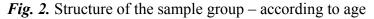


Fig. 1. Structure of the sample group – according to gender

• Depending on age – 91.8% of respondents are between 18 and 25 years old, while only 5.7% are between 55 and 65, and 2.4% between 36 years old and over (Figure 2).





• Depending on department—44.1% of respondents are students at Culinary Department, 31.8% are at Tourist Guiding Department, 14.3% are at Hotel and Hotel Management Department and 9.8% are at Tourism and Travel Agency Department (Figure 3).

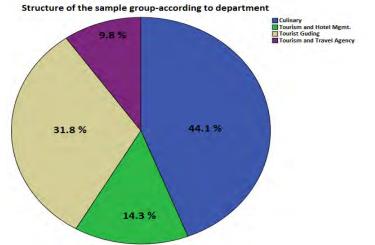


Fig. 3. Structure of the sample group – according to department

• Depending on experience in tourism including their tourism high school education—77.1% of respondents are experienced between 1 and 5 years and 22.9% are experienced between 6 years and over (Figure 4).

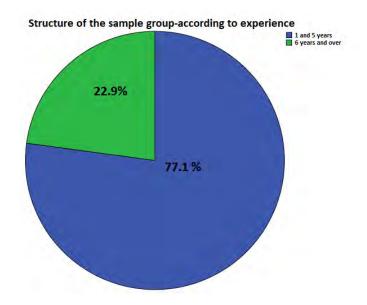


Fig. 4. Structure of the sample group - according to experience in tourism

The results obtained after the application of the questionnaire were processed and registered in the statistical program SPSS 23. The answers of 'strongly agree' and 'agree' are combined and given under the umbrella of 'percentage of positive answers'. The same process was carried out for the answers of 'strongly disagree' and 'disagree', which are combined and given under the umbrella of "percentage of negative answers'.

# **Results and discussions**

Tourism is that part of the economy that consists of several activities or branches whose common purpose is to satisfy the needs of tourists(Witt, Brooke, & Buckley, 1995). However, tourists are not a homogeneous group of consumers. Therefore, they interact with the environment of the destination in a variety of modalities, according to their attitudes, motivations and expectations (Holden, 2007).

Consequently, in extreme cases, tourists can be completely unimpressed by the environment and its problems. On the other hand, they can feel a strong connection with the surroundings of the destination. Therefore, they will try to integrate and protect themselves, which helps to improve the impact of tourism on the environment.

Table 1. Students' perception of the seriousness of the environmental issues

	Percentage of Positive answers	Percentage of Neutral Answers	Percentage of negative answers
The environmental issues threaten the human existence	82	10.6	7.4
The environmental issues are more serious than the economic crisis	54	27.3	18.7

20	20	60
54.3	19.5	26.2
80.8	11	8.2
70.2	24.9	4.9
72.7	16.7	10.6
80.3	14.7	5
59.6	25.7	14.7
79.6	17.1	3.3
85.3	9	5.7
77.1	16.3	6.5
	80.8         70.2         72.7         80.3         59.6         79.6         85.3	54.3     19.5       80.8     11       70.2     24.9       72.7     16.7       80.3     14.7       59.6     25.7       79.6     17.1       85.3     9

In the first phase of our study, we determined the position of students regarding the seriousness of environmental problems (Table 2).

Most of the surveyed students, over 80 %, consider that environmental issues threaten the human existence, and are influenced by tourism development. They slightly agree with the ideas of that the environmental problems are more serious than the economic crisis (54%) and personal problems (54.3%). They strongly think that air pollution (80.3%) and natural resources depletion (85.3%) are the most serious environmental problems. They moderately agree with ideas of that destruction of biodiversity (70.2%), water pollution (72.7), waste increase (79.6%) and global warming (77.1) are the most serious environmental problems. We noticed that the only issue that they disagree with is the idea of that the environmental issues are more serious than terrorism (disagreement 60%).

The second stage of this study consists of the main factors which are responsible lowering the negative effects of tourism over the environment. See Table 2.

Table 2. Students' perceptions of factors responsible for the improvement of environmental issues in tourism

	Percentage of Positive answers	Percentage of Neutral Answers	Percentage of negative answers
International organizations	68.7	25.3	6
Government( ministries related to tourism and	88.2	8.6	2.2
environment)			
Ecological organizations	85.6	12	2.4
Society	89.4	8.2	2.4
Hotels	67	20.8	12.2

The surveyed sample group think that the most responsible factor to lower environmental issues is society whereas the least responsible factor is hotels. They also strongly agree that the governments through the related ministries and ecological organizations are regarded as responsible for lowering the negative effects of tourism over environment.

	Percentage of Positive answers	Percentage of Neutral Answers	Percentage of negative answers
Families	93.4	5	1.6
Schools	95.6	3.2	1.2
Mass Media	76.3	15.5	8.2
Ecological Organizations	83.7	10.2	6.1
Tourism Agencies	49.7	26.5	23.8
Local Authorities	51.8	27	21.2

Table 3. Responsibility for ecological education

The third stage of our research consisted in the identification of responsibilities for ecological education of individuals. (Table 3.)

Most of respondents strongly agree that families (93.4%) and schools (95.6%) have a great role on ecological education. They stated that this role belongs to the mass media (76.3%) and ecological organizations (83.7%). To them, tourism agencies (49.7) have the least role in ecological education.

As a result of the research carried out, we believe that both the responsibility to reduce the negative impact of tourism on the environment and the information related to the environmental issues are equally shared by all participants in tourism activity.

# Conclusion

According to students taken part the survey, they are aware of the seriousness of the environmental issues and they consider that natural depletion is the most serious issue to solve. It is followed by air pollution. The high percentage of the answer of 'environmental issues threaten human existence' shows that the environmental issues have reached at dangerous level. To the respondents, tourism is one of the reasons to create environmental issues. Especially mass tourism causes some environmental problems such as infrastructural and urban super-structural issues, and phonic pollution due to the exceeding bearing capacity in a destination. They think that environmental issues are not more serious than terrorism. This result should be taken normally as they live in a country suffering from terrorism for nearly fifty years.

Another conclusion we get from the survey is that schools are the most important factor to lower the environmental issues as the individuals are critically play roles to create pollution. Families are the second important factor to improve the environmental issues which also related to the individuals' education to make them aware on environmental issues. It is not surprising that schools and families have so high percentage as they are playing a great role to raise individuals forming the society, and those individuals are not possible only service providers but also they are possible tourists who can contribute to improve environmental issues in their daily life by making environmental choices and appropriate behaviour during the development of tourist activities, as follows:

- the use of less polluting means of transport;
- an increased attention to the behaviour that could harm the environment when spending time in the middle of nature (destroying the plants, disturbing the animals, not storing the waste in designated locations, noise, etc.);
- an increased attention to the reduction of energy and water consumption, to the collection of waste, if they are the guests of a hotel;
- greater participation in green actions (participation in tree planting, selective collection of waste, saving of water and energy);
- undertake to pay an eco-tax or to control a percentage of their income tax in order to reduce their environmental impact in order to protect the environment in general;
- etc.

All of this could be improved by raising awareness of the seriousness of environmental issues. This can be achieved on the basis of adequate information regarding environmental problems and the impact of tourism development on the environment. As a result, the mass media and local authorities, hotels, etc. have an important role to play. Governments have a considerably important role to minimize the negative effect of tourism activities via creating preventing policies before damage is done.

We therefore believe that the protection of the environment today is an essential prerequisite for the development of tourism.

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# CULTIVATING MEANINGFUL WORK: HOW CORPORATE SOCIAL RESPONSIBILITY (CSR) PARTICIPATION PROMOTES HOTEL EMPLOYEES' HELPING BEHAVIOR

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# Abstract

Despite the popularity of corporate social responsibility (CSR) studies, little has been investigated regarding the mechanism underlying employees' reaction to CSR. According to social exchange perspective, CSR can promote employee citizenship behavior. Previous studies focus on CSR reputation in the hospitality industry, however this study investigates whether meaningful work mediates the effect of CSR participation on helping behavior. Partial least squared-structural equation modelling (PLS-SEM) and multigroup analysis were used to analyze data from 245 employees working at independent/chain hotels in Krabi province in Thailand. Results show that meaningful work fully mediates the effect of CSR participation on helping behavior for those employees working in independent hotels. This means that meaningful work is an important process promoting helping behavior in independent hotels. The practical implications for this study suggest that independent hotels should call for employees' participation in CSR activities in order to promote a more positive work outcome.

*Key Words: corporate social responsibility; organizational citizenship behavior; meaningful work; helping behavior; hotel employees; Thailand.* 

## Introducton

Today, corporate social responsibility (CSR) has become an integral part of business paradigm. Companies in the western countries use CSR activities to bring employees closer together by stimulating a concrete, coherent, and consistent communication process (Bhattacharya, Sen, & Korschun, 2008). This is because employee perceptions of CSR are important for firm

performance (Lee, Park, Lee, 2013). While empirical findings indicate that CSR contributes to financial outcomes (e.g., Inoue & Lee, 2011; Kang, Lee, & Huh, 2010; S. Lee & Park, 2009), little is known about CSR from the employees' perspective. Based on the review of Aguinis and Glavas (2012), an emphasis on the micro level, such as the individual level, is accounted for only 4% of CSR studies in the journal of management and psychology. Moreover, a group of researchers have focused on the contribution of CSR on substantial benefits and on the development of employee outcomes, such as employee organisational identification (Kim, Lee, Lee, & Kim, 2010), job satisfaction (Brammer, Millington, & Rayton, 2007), commitment (Mueller, Hattrup, Spiess, & Lin-Hi, 2012), trust (Hansen, Dunford, Boss, Boss, & Angermeier, 2011); and employee attraction and retention (Jones, Willness, & Madey, 2014). Accordingly, we aim to focus on employee-related outcomes from CSR, for instance organizational citizenship behavior (OCB).

Over the years, OCB has received substantial attention from researchers. OCB's most widely used definition comes from Organ (1988, p. 4) which refers to "individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in aggregate promotes the effective functioning of the organization". For instance, an individual's helping behavior, such as helping other colleagues, solving coworkers' problems, and voluntarily orienting new staffmay support other team member as well as the entire team performance, resulting in efficiently assisting in operations and effectively attributing financial and human resources (Organ, 1988). Moreover, researchers appear to have several views regarding the dimensions of OCB. Organ categorized OCB into five types of behavior: altruism; conscientiousness; sportsmanship; courtesy; and civic virtue. Furthermore, Podsakoff, Whiting, Podsakoff, and Mishra (2011) use helping behavior, voice behavior, and organizational loyalty. Simialarly, helping behavior and voice behavior are frequently studied in the hospitality industry (Raub & Blunschi, 2014). This is because employees who go 'above and beyond' established routines are believed to deliver excellent service which exceeds customers' expectations (Ma & Qu, 2011). Thus, helping behavior is the focus in this study.

Furthermore, scholars have recently begun exploring CSR-OCB relationship, with studies finding a positive and significant relationship between CSR and OCB in hospitality industry (e.g., Choi & Yu, 2014; Fu, Li, & Duan, 2014). One reason is that in the social identity theory, employees whose beliefs and identifications are similar to their organization tend to share and act in best interests (Mael & Ashforth, 1992). Social exchange theory further supports the CSR-OCB relationship based on the existence of reciprocity norms (Cropanzano & Mitchell, 2005). This social exchange perspective is based on voluntary actions which may be initiated by an organization's treatment of its employees with the expectation that such treatment in terms of activities and support given to employees will be reciprocated (Cropanzano & Mitchell, 2005). The integration of social identification into organisational and psychological research has been used as a theoretical perspective explaining the relationship between CSR and employees' attitude and behaviours. Both theories imply that organizational practices are perceived and interpreted by employees, who subsequently would use the information for further actions.

Moreover, CSR practices may foster meaningfulness at work. This is because CSR activities promote employees' goals, values, and beliefs toward their organizations (Pratt & Ashforth, 2003)

and enhance better relationship among employees (Supanti, Butcher, & Fredline, 2015). According to Pratt and Ashforth (2003), organizations may exemplify meaningfulness-at-work practices through activities that build organizational communities. Particularly, these community-building activities allow employees to include their membership in the organization by realizing their similarity, creating deeper interpersonal bonds, and blurring boundaries between work and nonwork life. As such, the process of fostering meaningfulness-at-work practices may allow employees to express who they are while at work. That is, these practices lead to meaningfulnessin-work when they perceive these given opportunities and resources to perform their work. Furthermore, empirical work has linked meaningful work to important work outcomes, such as promoting engagement (Kahn, 1990; May, Gilson, & Harter, 2004; Saks, 2006) and OCB (Purvanova, Bono, & Dzieweczynski, 2006). In addition to CSR-OCB relationship, meaningful work could mediate this relationship. This is because employees who perceived working in socially responsible organizations, they tend to feel pride working at their organization, which lead to meaningfulness at work that stems from being membership in the organization (Aguinis & Glavas, 2013). Accordingly, meaningful work has been used as the mediator in Woods and Sofat (2013) and Raub and Blunschi (2014). Therefore, this study will examine meaningful work as the mediator in the relationship between CSR participation and helping behavior. Hence, the research hypotheses are as follows:

H1: CSR participation positively influences helping behavior.

H2: Meaningful work mediates the effect of CSR participation on helping behavior.

# Method

Data collection was carried out through self-administered questionnaire aimed at the hotel's employees participating in CSR activities. Data was collected from employees of ten chain and independent hotels operating in Krabi, Thailand, specifically, the target population covered hotels with a minimum of rating of four stars. Initially, 245 questionnaires were complete responses. Sixty-two percent of respondents were female and held bachelor degree (50%). Employees were mainly from four departments: front office, accounting, housekeeping, and food and beverage. For measures, CSR participation was formed using four items adapted from Vlachos, Panagopoulos, and Rapp (2014). For example, "I participate in every new CSR activity at my hotel". Six items were adopted from May et al. (2004), measuring meaningful work for example "The work I do at the hotel is very important to me". The measure of OCB consisting of five items adopted from Podsakoff, MacKenzie, Moorman, and Fetter (1990), referring to discretionary behaviors that have the effect of helping a specific other person with organizationally relevant task or problem. For instance, "I help my hotel colleagues who have been absent". The five-point Likert scale ranging from one (strongly disagree) to five (strongly agree) was used in survey.

# Results

To test the hypotheses, we employed partial least squares (PLS) with SMARTPLS software version 3.0 in estimating the measurement model and the path coefficients in the structural model.

Results of measurement model present the estimations of individual reliability and the factor loadings. Table 1 presents average variance extracted (AVE) and composite reliability (CR) values. The heterotrait-monotrait (HTMT) ratio has been considered as a traditional assessment method to establish discriminant validity at the recommended threshold of 0.90. A boot-strapping procedure with 5000 subsamples was employed to assess the measurement model using three constructs including CSR participation, meaningful work, and helping behavior. The results suggest the existence of discriminant validity among the constructs, see Table 2.

Table 1 Assessment Results of the Measurement Model.

Construct/Associated items	Loading	CR	AVE
CSR participation		0.866	0.684
PAR1	0.840		
PAR2	0.759		
PAR3	0.878		
Meaningful work		0.840	0.637
M1	0.849		
M3	0.772		
M6	0.772		
Helping behavior		0.780	0.545
H1	0.662		
H2	0.700		
Н3	0.841		

Before testing the hypotheses, multi collinearity was assessed using the variance inflation factor (VIF) for each variable. Results indicate the highest VIF occurs for CSR participation variable (VIF =2.62). This value does not exceed the threshold of 5.00 suggested by Sarstedt, Ringle, Smith, Reams, and Hair (2014). Accordingly, the problem of multicollinearity is not a concern in this study. Results of structural model reveal that all structural regression coefficients were significant (see Figure 1). The R<sup>2</sup> results reveal that 80% the variance of helping behavior can be explained by CSR participation in the model. The path estimate show that CSR participation had a significant positive effect on helping behavior ( $\beta = 0.52$ , p < 0.01), supporting H1.

Table 2 Discriminant Validity (HTMT)

Construct	1	2	3
1. CSR participation			
2. Meaningful work	0.871		
3. Helping behavior	0.791	0.791	

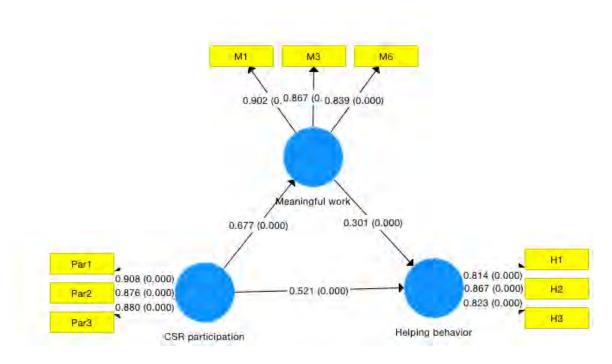


Figure 1. Structural Model.

H2 examines whether meaningful work mediates the effect of CSR participation on helping behavior. Results suggest that a significant partially mediation effect of meaningful work was found ( $\beta = 0.20$ , p < 0.01) in the presence of significant effect of CSR participation on helping behavior. This means that meaningful work partially mediates the effect of CSR participation on helping behavior, supporting H2.

Post hoc analysis was conducted using multigroup analysis to examine the difference between independent hotels and chain hotels. Table 3 shows the results of invariance tests. Results of multigroup analysis indicate that three significant differences between the path coefficients were found: 1) the effect of CSR participation on helping behavior ( $\beta_{diff} = 0.42$ , p < 0.05); 2) the effect of meaningful work on helping behavior ( $\beta_{diff} = 0.23$ , p < 0.05); and 3) the effect of CSR participation on helping behavior ( $\beta_{diff} = 0.21$ , p < 0.05).

The structural model in Figure 1 was used to test the baseline model of each group: independent hotel (n = 64) and chain hotel (n =181). The structural path coefficients between the two groups were also tested, see Figure 2 and Figure 3. For the group of independent hotels, the R<sup>2</sup> results reveal that 86% the variance of helping behavior can be explained by CSR participation in the model. The effect of CSR participation was found to have insignificant effect on helping behavior ( $\beta = 0.20$ , p > 0.05). However, meaningful work was fully mediated in the effect of CSR participation and helping behavior ( $\beta = 0.36$ , p < 0.01). This means that the significant effect of CSR participation on helping behavior was found only when meaningful work is the mediator.

In comparison with the group of chain hotels, the R<sup>2</sup> results reveal that 82% the variance of helping behavior can be explained by CSR participation in the model. The effect of CSR participation was found to have significant effect on helping behavior ( $\beta = 0.63$ , p < 0.01). However, meaningful

work was partially mediated in the effect of CSR participation and helping behavior ( $\beta = 0.15$ , p < 0.05). This means that a significant partially mediation effect of meaningful work was found in the presence of significant effect of CSR participation on helping behavior.

Regression paths	$\beta_{independent hotels}$	β_ chain hotels	Absolute difference	<i>p</i> -value for difference (PLS-MGA)
CSR -> Help	0.197	0.625**	0.422	0.02*
CSR -> MW	0.651**	0.692**	0.041	0.33
MW -> Help	0.556**	0.221**	0.225	0.02*
CSR -> MW -> Help	0.362**	0.153*	0.209	0.03*

Table 3 Invariance Test Results

Note: \**p* < 0.05, \*\* *p* < 0.01.

CSR: CSR participation, Help: Helping behavior, MW: Meaningful work,

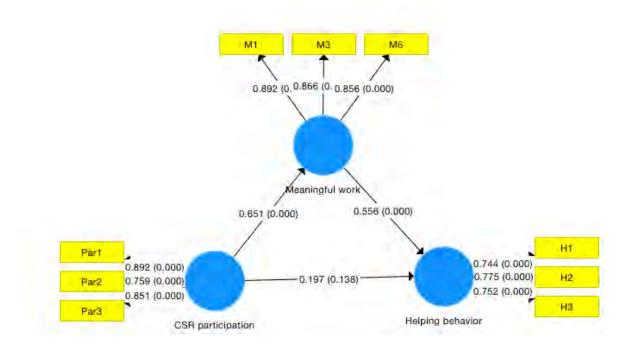


Figure 2. Structural Model with Independent Hotel Samples.

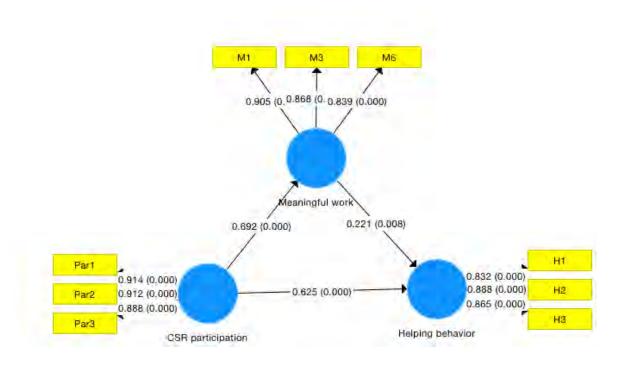


Figure 3. Structural Model with Chain Hotel Samples.

#### Conclusion

The study examined whether meaningful work mediates the effect of CSR participation on helping behavior. The literature provides support for the importance of CSR-OCB relationship. The findings showed that CSR participation has a direct and strong effect on helping behavior. The hospitality studies have recognized the importance of CSR in promoting employees' citizenship behaviors (e.g., Fu et al., 2014). This study further suggests that employees' participation in CSR activities results in promoting positive work outcome, particularly helping behavior. Importantly, meaningful work was found to significantly mediate such relationship. The findings extend previous studies by suggesting that this causal relationship is significant different for independent and chain hotels. Specifically, while the direct effect of CSR participation on helping behavior was not significant for employees in independent hotels, it was found that such relationship is significant only when meaningful work is the mediator. This means that meaningful work is an important mechanism process in understanding the effect of CSR participation on helping behavior for employees in independent hotels. The finding is partially in line with recent study. Raub and Blunschi (2014) found that employees are aware of hotels' CSR engagement, they perceived greater task significance (a form of meaningful work) which, in turn, lead to more positive attitude and work behaviors, such as work engagement, helping behavior, voice behavior, and personal initiative. Accordingly, employees who are highly participated in CSR, they could relate their CSR participation to greater meaning of work, and they become more enacted helping behavior, such as supporting their co-workers when they faced problems and helping others and new staff in their jobs. Further, the finding is congruent with the social exchange process that employees who participated in CSR activities improve their interactions between coworkers,

which motivates to enact OCB (Ma & Qu, 2011). Accordingly, it is important to consider promoting employees' sense of meaningfulness at work through their participation in CSR activities for employees in independent hotels. This sense is critical to employees' performance, both of which enhance better positive work outcomes. Managers working in independent hotels should recognize that meaningful work is an important process in promoting employees' helping behavior, which in turn improve teamwork performance as well as service quality to customers.

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# UNDERSTANDING THE THOUGHTS OF MICRO-TRADERS THAT HARASS VISITORS

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# Abstract

One area psychologists agree is thoughts influence behavior. Despite this realization discussion on the psychological antecedents of visitor harassment has been few. Hence, the goal of this conceptual paper was to posit a set of beliefs micro-traders that harass visitors are likely to share and to use existing studies and newspaper articles to support the arguments presented. Twenty distinct beliefs were identified. For example, it was posited that micro-traders that harass visitors believe: 1] such behaviors were necessary for their survival; 2] visitors to their communities are wealthy; and 3] visitors are not negatively impacted by their harassing selling behaviors.

## Introduction

As the visitor harassment (VH) research stream improves, so has the definition of its main construct. In 1999, the phenomenon was defined as a "conduct aimed at or predictably affecting a visitor which is (1) likely to annoy the visitor who is affected thereby and (2) an unjustified interference with a visitor's (a) privacy or (b) freedom or (c) other" (de Albuquerque & McElroy, 2001, p. 478). Then in 2001 de Albuquerque and McElroy (2001) crafted a simpler definition for the phenomenon. The researchers defined the practice as "any annoying behavior taken to the extreme" (de Albuquerque & McElroy, 2001, p. 478). Then in 2003 the definition was improved significantly further and described as "words, conduct or action (usually repeated or persistent) that, being directed at a specific person annoys, alarms or causes substantial emotional distress in that person and serves no legitimate purpose" (Griffin, 2003, p. 56). Then approximately a decade later, in 2014, the present author and her research assistant, after reviewing a set of social media postings on the phenomenon, defined the practice as "an individual or group contact or non-contact legal or illegal aggressive behavior between locals (the seller) and visitors (the buyers) that results in visitors (the buyers or potential buyers) feeling varying degrees of anger, fear and/or sadness" (Nicely & Mohd Ghazali, 2014, p. 268), improving on the definition even further. Hence, there are two aspects to VH: the behavior and how the behavior makes the visitor feels. It is an unwanted and undesired behavior (in particular, a bothersome, forceful, intimidating, deceitful, illegal and/or offensive local behavior) directed toward a visitor (or a group of persons) (de Albuquerque & McElroy, 2001; Griffin, 2003) and that makes the visitor feel largely angry, fearful and/or sad (Griffin, 2003; Nicely & Mohd Ghazali, 2014). Examples of some of the local behaviors that make visitors experience the negative emotions named include a local: trailing the visitor, hurling expletives at visitor and overcharging the visitor (Nicely & Mohd Ghazali, 2014).

Micro-traders that operate at tourist destinations are some of the main perpetrators of VH (Nicely & Mohd Ghazali, 2014).

Though in 2018 the size of the VH problem across the world is unknown, the following are known. First, in

2017/2018 the problem still eludes tourism leaders across the world (Dpreview staff, 2017; Jobe, 2017; Narayan, 2017; Sanders, 2017; Squires, 2017; Yucatan Times, 2017). Second, the problem can have a deleterious effect on destination as it reduces visitors' overall satisfaction with the destination (Kozak, 2007; Pathirana & Athula Gnanapala, 2015).

One of the earliest researchers to suggest psychological solutions to the problem of VH is Dunn and Dunn (2002a).

However, before this can happen the beliefs causing locals' to harass visitors must first be identified and understood. So, the goal of this paper is to begin the discourse on the former. In fact, the aim of this concept paper is to posit a set of specific beliefs likely to cause micro-traders at tourist destinations to harass visitors.

This discussion is an extension of the discussion of a previous study. In that study, it was suggested that for tourism leaders to sustainably reverse their micro-traders' harassing behaviors they must convince them that less aggressive selling is good and the alternative bad, they have support from "important others" when they engage in less aggressive selling and not when they engage in the undesired alternative and less aggressive selling is easy and the undesired alternative difficult (Nicely, Day, Sydnor, & Mohd Ghazali, 2015). Where this concept paper differs and extends on discussions in the Nicely et. al (2015) study is it looks at thoughts micro-traders that harass visitors are likely to share and not on thoughts of those that do not. Additionally and most importantly, it elaborates on the specific and not the broad beliefs those that harass visitors are likely to share.

This present discourse is significant for both policy makers and the academy. The list can be used by policy makers in their fight to reduce negative VH. The list can also be used by academic community when engaging in psychological studies on VH. It is important for readers to note that the focus of this present paper is on the harassment of visitors by micro-traders at tourist destinations, not on other forms of VH like sexual and institutional harassment. Also, the goal of the paper is to suggest beliefs micro-traders that harass visitors are likely to share. Future empirical studies will be necessary to confirm the veracity of the beliefs identified.

There are approximately 16 types of micro-traders that operate in tourist destinations across the world. They include:

1) craft and souvenir vendors (like the *sword-sellers* in Fiji and the *curio sellers* in Kenya) (Nauwakawa, 2011; The

Travel Foundation, 2015); 2) flower vendors (like the flower girls in Greece (Andriotis, 2016); 3) photographers

(such as those that operate at major tourist locations in Bangladesh and India) (Dpreview staff, 2017; Imam, 2016);

4) food and beverage vendors and shop operators (like the *chica bar* operators in Peru and coconut peddlers in

Vietnam) (Steel, 2012; Tuoi Tre News, 2015); 5) informal tailors and dressmakers (like the tailors in Thailand) (Smith & Henderson, 2008); 6) baggage carriers (like the informal baggage carriers at the ferry ports and bus stations in the Philippines) (Dawdy, 2014; Karsten, 2015); 7) informal traditional medicine practitioners and spiritual advisors (like the palm readers in New Orleans and the *Pujaris* in India) (Khajuria & Khanna, 2014; Waitingforrain28, 2014); 8) small beauty/grooming service providers (like the beach masseurs in the Caribbean and shoe shiners in Vietnam) (Dunn & Dunn, 2002b; Griffin, 2003; TN News, 2012); 9) small equipment renters (like the sun chair renters in Indonesia) (Kitching, 2014; Smith & Henderson, 2008); 10) informal tour guides and transportation providers (like the camel renters in Egypt and the sledge guides in India) (Amr & Khairat, 2014; Zargar, 2015); 11) street performers (like the Disney-type characters in New York and the snake dancers Sri Lanka) (Huff Post, 2015; Pathirana & Athula Gnanapala, 2015); 12) informal accommodation providers (like the shop house operators in Thailand); 13) convenience supplies vendors (like the plastic poncho vendors in Italy) (Tessaloftus, 2013); 14) informal money traders (like money changers in Yangon, Burma) (Bamarlay, 2009;

Robbo51, 2012) ; 15) escorts and sex workers (like the *beach boys* in Barbados and the *rent a dreads* in Jamaica) (Ajagunna, 2006; Dunn & Dunn, 2002a; J. McElroy, P. Tarlow, & K. Carlisle, 2007; Skipper, 2009) and 16) sellers of illegal products (like the *hashish sellers* in Nepal, drug peddlers in Lisbon, Portugal and the fake goods sellers in Dubai) (Graham V., 2014; Sylvester, 2015; TheLongestWayHome.com, 2013; Virtual Tourist, 2017). A microtrader can be itinerant or non-itinerant and they can be self-employed or employed to a business with no more than nine employees.

# **Review of related literature**

Researchers, from a wide variety of fields (healthcare, education, sports, business, criminology, among others), all agree that thoughts influence behavior (Ajzen, 1991, 2006; Anderson & Bushman, 2002; Bandura, 1978; Cialdini et al., 2006; Finfgeld, Wongvatunyu, Conn, Grando, & Russell, 2003; Maddux & Rogers, 1983; Marcus, Selby, Niaura, & Rossi, 1992; Mitchell, 1976; Rosenstock, Strecher, & Becker, 1988; Vroom, 1964). More specifically, humans will engage in a target behavior if they believe the behavior is good and the alternative bad (Bandura, 1978; Finfgeld et al., 2003; Maddux & Rogers, 1983; Vroom, 1964); they have the support of "important" others when they engage in the target behavior and will not when they engage in the alternative; and the target behavior is easy and the alternative difficult (Ajzen, 1991, 2006; Finfgeld

et al., 2003; Rosenstock et al., 1988; Vroom, 1964). Ajzen (1991, 2006) labelled these beliefs as *behavioral, normative* and *control,* respectively. The goal of this discussion is to review the specific behavioral, normative, and control beliefs that will cause micro-traders to harass visitors.

# Behavioral Beliefs and Visitor Harassment

There is overwhelming evidence in the literature to support the hypothesis that micro-traders that harass visitors believe bothersome, forceful, intimidating, deceitful as well as offensive selling behaviors and the sale of illegal products and services to visitors is good (Dunn & Dunn, 2002a; Griffin, 2003; Harris, 2012; Huff Post, 2015; Johnson, 2014; Kozak, 2007; J. McElroy et al., 2007; Nicely et al., 2015; Wen & Yina, 2015). In fact, some microtraders would even feel proud to be in a business that provides illegal drugs and sex to visitors (Dunn & Dunn, 2002a).

Interestingly, there are 13 beliefs which micro-traders that harass share which clearly indicates that they believe harassing visitors is good. See Table 1 for the full set of beliefs. However, the two beliefs that receives the most support in the literature are the belief that: 1] bothersome, forceful, intimidating, deceitful and offensive selling behaviors and the sale of illegal products and services to visitors are necessary for survival; and 2] visitors are wealthy.

*Harassing Behaviors Necessary for Survival.* It is clear from the literature that some micro-traders that harass visitors believe doing so is critical to their survival. Therefore, it is necessary for the existence of their business, their families as well as themselves (Dunn & Dunn, 2002a; Harris, 2012; Kozak, 2007; Nicely et al., 2015). Therefore, it is being hypothesized that micro-traders that harass visitors believe doing this is essential to their survival. Two factors likely to be at the heart of this thought are: the fierce competitive environment within which micro-traders operate (Dunn & Dunn, 2002a; Lisa B., 2016) and the perceived unwillingness of visitors to support these micro-traders. Below is a brief snippet from a study describing the micro-trading environment in India. "Imagine Michael Jackson arriving at an airport with thousands of screaming fans being held back by ropes . . . we . . . spent the next ten minutes or so saying 'no thank you' to everybody offering taxi's, rickshaws and hotels" (Dwivedi, 2009, p. 230).

There are number of reasons why visitors are unwilling to support micro-traders at some destinations. They include: poor quality goods, too many vendors selling the same products, dislike of the selling techniques used and discomfort in some of the products and services being offered. In fact, some researchers believe a major contributor to VH is poverty, in particular lack of employment as well as underemployment (Chepkwony & Kangogo, 2013; Griffin, 2003).

*Visitor Wealthy.* Previous studies and one newspaper article have also arrived at the conclusion that a reason microtraders harass visitors is because they believe visitors to their area are wealthy (Griffin, 2003; Imam, 2016; Johnson, 2014; Kozak, 2007; Wen & Yina, 2015). According to one Bangladesh newspaper, "Foreigners are the worst suffers (of harassment) being deemed as affluent though they may be on an economy-budget tour package" (Imam, 2016). Therefore, it is

hypothesized that micro-traders that harass visitors do so because they believe the visitors are wealthy.

*Harassing Behaviors Has Little to No Negative Effect.* Another reason which emerged in the literature is microtraders harass visitors believe such selling practices have little to no negative effect on visitors. In fact, five VH studies noted this interesting discovery (de Albuquerque & McElroy, 2001; Dunn & Dunn, 2002a; Griffin, 2003; Harris, 2012). This is what Griffin (2003) wrote, after conducting informal interviews with vendors, taxicab drivers, jet ski operators, hair braiders and beach masseurs in the Caribbean, "... they do not think that persistent pitches made to tourists/visitors lying on the beach or walking in the streets as being disturbing or a nuisance" (Griffin, 2003, p. 61). Meanwhile, this is what Harris (2012) noted a tour guide said in his study Britain. "Most of them have a schedule of 'must see' things—we've done this a hundred time and we know them all. All they focus on is 'Have I seen X?' or 'Have I seen Y?' - a few added extras are sort of expected—as long as they tick off their lists, that's all they worry about." (Harris, 2012, p. 1087). Therefore, micro-traders that harass visitors would sometimes justify to themselves that visitors would not be negatively affected by their selling behaviors. Hence, it is hypothesized that some micro-traders that harass visitors believe such behaviors have little to no negative effect on visitors.

Two other beliefs, with significant support in the literature and which might explain why microtraders harass visitors, is the belief: 1] they are entitled to the visitor's support (Dunn & Dunn, 2002a; Griffin, 2003; Johnson, 2014; Zhang, 2010) and 2] bothersome, forceful, intimidating and deceitful selling behaviors are all part of good salesmanship (J. L. McElroy, P. Tarlow, & K. Carlisle, 2007; Paisley, 2014). Therefore, it is hypothesized that some micro-traders that harass visitors believe they are entitled to the visitors in their area business. It is also being hypothesized that there are also those micro-traders that harass visitors that believe that such selling behaviors are part of good salesmanship.

Four the other behavioral beliefs were also discovered in the literature but because only one VH study was found for each the finding could not be corroborated. Nonetheless all were listed in Table 1.

*Malevolence and Harassment.* One topic that has not entered the discourse on VH prior to the present was the possible link between micro-traders' malevolent beliefs and their harassing selling behaviors. The present author is of the view that there is likely to be an important connection between the two. Micro-traders who believe in self before others is good are more likely to harass visitors than those who believe others before self is good. According to Huseman et al. (1987), individuals respond to inequities in different ways. Some people are equity sensitive and as a result feel distress when over- or under-rewarded, in the case of the former the benevolent. Meanwhile, there are those that feel entitled and as a result feel happy when over-rewarded and distressed when under-rewarded, in this case the malevolent. One thing clear in the literature is one factor that causes micro-traders to harass visitors is feelings of entitlement. In other words, micro-traders that harass visitors oftentimes feel entitled, whether for good reasons or bad, to

visitors' financial support of their micro-business (Dunn & Dunn, 2002a; Griffin, 2003; Johnson, 2014; Zhang, 2010). Therefore, micro-traders that feel entitled to the visitors in their area's money are more likely to value malevolent beliefs. Interestingly, a comment in Dunn and Dunn's (2002a) book on VH in Jamaica supports this thinking. This is what the researchers wrote in their book "Andrews' attitude to his 'work' (tour guide/drug dealer) suggests that he never seriously contemplated the negative effects of his actions on tourism, but mainly saw these as opportunities to provide services, even if unwanted, for financial gain" (Dunn & Dunn, 2002a, p. 90). In other words, his preoccupation was with his own financial gain and not on the effects of his behavior on his country. Hence, it is hypothesized that micro-traders that harass visitors believe malevolent behaviors toward visitors is good.

On the flipside, and if Azjen's (1991, 2006) theory is true, micro-traders that harass visitors will also believe that those who don't engage in harassing selling behaviors but the alternative are engaging in something bad. These micro-traders might even view them as being foolish as in their minds they will not be able to keep their business afloat and feed their families. They might also view them as engaging in behaviors that are unjust to locals. Therefore, there are 12 distinct beliefs micro-traders that harass visitors' are likely to share that suggest they believe harassing visitors is good and the alternative bad. These beliefs are listed in Table 1.

### Normative Beliefs and Visitor Harassment

There is also evidence in the literature to support the hypothesis that micro-traders that harass visitors believe such behaviors are accepted and supported by "important others" in their lives (Griffin, 2003; Harris, 2012; Zhang, 2010). In other words, by individuals whose views the micro-trader values such as other micro-traders in their vending communities, community leaders and elders, key family members, to name a few. One normative belief at the heart of why some micro-traders harass visitors, that repeatedly appeared in the literature, is the belief that bothersome, forceful, intimidating, deceitful and offensive selling behaviors and the sale of illegal products and services to visitors is normal even cultural. In other words, micro-traders that engage in harassing selling behaviors do so because they believe everyone else is doing the same (Zhang, 2010). This point was made in a Jamaica Gleaner blog article on VH in Jamaica. This is what was written, "*They do not consider chasing down tourists who have repeatedly told them no as a form of harassment because in our culture being aggressive is just a selling tactic*". In fact, in some jurisdictions the practice of harassing customers while trading is not unique to tourists but is also used by micro-traders when selling to locals as well.

Three studies support this hypothesis (Griffin, 2003; Harris, 2012; Paisley, 2014; Zhang, 2010). In the study on

Britain three responses were provided by the study's participants which suggests overcharging was accepted and normal when the customer happens to be a tourist. One waiter in the study stated "*is just what every-one-does*" (Harris, 2012, p. 1082). A taxicab in the same study echoed similar sentiments and said "*Everyone is on the makevery job has its perks*. *In taxi-ing its add a bit here* 

*and there*...." (Harris, 2012, p. 1085). Griffin (2003), whose report looked at VH in the Caribbean and focused on another type of VH, aggressive selling, noted *"This behavior*"

(aggressive selling), they claim is consistent with the culture of salesmanship in the Caribbean" (Griffin, 2003, p. 61). The present author believes as well micro-traders that harass visitors also believe their engagement in malevolent behaviors when interacting with visitors will be supported by "important others". The following are therefore hypothesized that micro-traders that harass visitors believe their selling behaviors is supported by important others. They also believe that malevolent behaviors will be supported by "important others. They also believe that malevolent behaviors toward visitors will be supported by "important others".

It is also being hypothesized, primarily because of the Ajzen's (1991, 2006) Theory of Planned Behavior, microtraders that harass visitors believe they will be shunned by "important others" if they engage in the non-harassing alternative and/or in benevolent behaviors when interacting with visitors. Therefore, three normative beliefs were identified that might explain why micro-traders harass visitors. Each is listed in Table 1.

# Control Beliefs and Visitor Harassment

The final set of beliefs to be examined is the control beliefs. That is, control beliefs micro-traders that harass visitors are likely to share. It is expected that micro-traders that harass visitors believe bothersome, forceful, intimidating, deceitful and offensive selling behaviors and the sale of illegal products and services to visitors is easy and there is one study that supports this view. Harris (2012) discovered one reason micro-traders found overcharging visitors easy is because of their limited knowledge. Most visitors to a country have limited knowledge of the local currency, rules, language, and layout of the area.

More specifically, it is being hypothesized that micro-traders that harass visitors also believe they have what it takes to engage in harassing behaviors. In fact, two VH studies support this hypothesis (Dunn & Dunn, 2002a; Harris, 2012). This makes sense as the link between efficacy and performance is well established in the academic literature. According to research, largely outside field of VH, the more someone believes they can do something, the greater the likelihood of them doing it (Finfgeld et al., 2003; Maddux & Rogers, 1983; Marcus et al., 1992; Marx, 1982; Rosenstock et al., 1988; Ryan & Deci, 2000).

It is being hypothesized as well that micro-traders that harass visitors believe such types of selling behaviors are actually fun, hence their engagement in harassing behaviors with visitors (Harris, 2012). A similar hypothesis is also being posited when it comes to malevolence. It is being hypothesized that micro-traders that harass visitors believes malevolence toward visitors is easy and benevolence toward them difficult. It would be interesting to determine the range of factors that make it difficult for micro-traders to be benevolent toward visitors. However, one would expect historical factors might be at the heart of this. Therefore, micro-traders that harass visitors are expected to be confident in their ability to harass visitors and be malevolent toward them and

not confident in both their ability to engage in the non-harassing alternative and being benevolent toward them.

The Belief	Visitor Harassment Literature				
BEHAVIORAL BELIEFS					
Bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors is good.	(Dunn & Dunn, 2002a; Griffin, 2003; Harris, 2012; Huff Post, 2015; Johnson, 2014; Kozak, 2007; J. McElroy et al., 2007; Nicely et al., 2015; Wen & Yina, 2015)				
Bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors are vital to the success of their business and the survival of their families.	(Chepkwony & Kangogo, 2013; Dunn & Dunn, 2002a; Griffin, 2003; Harris, 2012; Kozak, 2007; Nicely et al., 2015; Pathirana & Athula Gnanapala, 2015)				
Visitors are wealthy.	(Griffin, 2003; Imam, 2016; Johnson, 2014; Kozak, 2007; Wen & Yina, 2015)				
Bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors do not affect visitors negatively.	(de Albuquerque & McElroy, 2001; Dunn & Dunn, 2002a; Griffin, 2003; Harris, 2012)				
They are entitled to the visitors in their area support.	(Dunn & Dunn, 2002a; Griffin, 2003; Johnson, 2014; Zhang, 2010)				
Bothersome, forceful, intimidating and/or deceitful trading behaviors are all part of good salesmanship.	(J. L. McElroy et al., 2007; Paisley, 2014)				
Providing visitors with illegal and immoral products and services (like drugs, counterfeit goods and sex) is financially rewarding, well worth the risk.	(Dunn & Dunn, 2002a)				
The chance of a visitor ever seeing them again is slim.	(Harris, 2012)				
Bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors is being helpful to visitors.	(Kozak, 2007)				

Table 1. Beliefs micro-traders that harass visitors are likely to share

Bothersome, forceful, intimidating, deceitful, offensive	(Dunn & Dunn, 2002a, 2002b)
and/or certain unlawful behaviors when interacting with	
visitors is a type of justice for a wrong done to them.	
Overcharging is one of the perks of selling to visitors.	(Harris, 2012)

Self before others (such as before visitors, fellow micro- \*(Ajzen, 1991, 2006; Huseman et al., 1987) traders, other players in the sector and country) is good.

Not being bothersome, forceful, intimidating, and deceitful trading behaviors well selling to visitors as well as not provide visitors with illegal or immoral products and services are bad, even foolish.	*(Ajzen, 1991, 2006)
Putting others (such as visitors, fellow traders, other players in the tourism sector and country) before self is bad.	*(Ajzen, 1991, 2006; Huseman et al., 1987)
NORMATIVE BELIEFS	
They have the support of "important others" when they engage bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors.	*(Ajzen, 1991, 2006)
They have what it takes to engage in bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors.	(Dunn & Dunn, 2002a; Harris, 2012)
Bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors is normal even cultural.	(Griffin, 2003; Harris, 2012; Paisley, 2014; Zhang, 2010)
Self before others (such as before visitors, fellow micro- traders, other players in their community's tourism sector, and country) is supported by important others.	*(Ajzen, 1991, 2006; Huseman et al., 1987)
They will be shunned by "important others" if they do not engage in bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors when selling to visitors.	*(Ajzen, 1991, 2006)
Putting others (especially visitors, fellow traders, other players in the local tourism sector and country) before self is not supported by "important others". <b>CONTROL BELIEFS</b>	*(Ajzen, 1991, 2006; Huseman et al., 1987)
Bothersome, forceful, intimidating, deceitful, offensive	*(Ajzen, 1991, 2006)

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Bothersome, forceful, intimidating, deceitful, offensive<br/>and/or certain unlawful behaviors when selling to<br/>visitors is easy.\*(Ajzen, 1991, 2006)They have what it takes to engage in bothersome,<br/>forceful, intimidating, deceitful, offensive and/or certain<br/>unlawful behaviors when selling to visitors.(Dunn & Dunn, 2002a; Harris, 2012)Bothersome, forceful, intimidating, deceitful, offensive<br/>and/or certain unlawful behaviors when selling to<br/>visitors is fun.(Harris, 2012)Putting self before others (such as before visitors, fellow<br/>micro- traders, other players in their community's<br/>tourism sector, and country) is easy.\*(Ajzen, 1991, 2006)

Not engaging in bothersome, forceful, intimidating, deceitful, offensive and/or certain unlawful behaviors	*(Ajzen, 1991, 2006)
when selling to visitors but in the alternative is difficult.	
Putting others (especially visitors, fellow traders, other	*(Ajzen, 1991, 2006)
players in the local tourism sector and country) before so difficult.	elf is

Non-visitor harassment study\*

#### Conclusion

The goal of this concept article was to identify a set of beliefs micro-traders that harass visitors are likely to share. After a careful review of the scholarly and non-scholarly literature 20 distinct beliefs were identified (Table 1). This discourse makes an important contribution to the scholarly literature. Previous studies had looked at the psychological factors that may cause micro-traders to engage in harassing selling behaviors in specific countries. For example, Dunn and Dunn (2002a) looked at Jamaica, Harris (Harris, 2012)looked at Britain, and Zhang (2010) looked at Taiwan. This was the first known academic article to look at these beliefs across countries. This discourse was particularly important as now the stream a list of psychological indicators of VH to work from. In fact, now that the beliefs are known, the arduous work may begin to both understanding these beliefs and ascertaining the ones most critical at predicting VH levels at a destination.

The following is therefore recommended. First, tourism leaders should use the list to ascertain and resolve the beliefs present. Tourism leaders should craft policies and initiatives focused on reducing the beliefs at the heart of the VH problem. In addition, researchers should use the list in their own research on VH. The list could be used to develop qualitative studies focused on: 1] determining the existence of the beliefs and 2] ascertaining the factors leading to such beliefs. The list may also be used in studies determining the psychological predictors of VH intensity. Hence, the contents of this article could have important practical and theoretical implications. For example, it could have implications for how VH is addressed at the destination level with a greater emphasis on psychological approaches. It could also have implications for the future direction of VH research, with more studies focused on understanding the thoughts that drive micro-traders at destinations to harass visitors.

One major limitation of the discourse, which was unavoidable, was the limited number of VH studies referenced in the discussion on the beliefs. The studies referenced looked at VH in 12 countries when the phenomenon exists in over 50 countries (The Travel Foundation, 2013). So, the next step in research in this stream is empirical studies looking at the psychological antecedents of VH.

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# STATUS OF THE BACHELOR OF SCIENCE IN HOTEL AND RESTAURANT TECHNOLOGY PROGRAM OF EASTERN VISAYAS STATE UNIVERSITY: BASIS FOR AN INTERVENTION SCHEME

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# Abstract

This study used a descriptive-correlation method which investigated the status of the BSHRT Program. Variables include age, gender, acquired NC II, competencies in HRT, laboratory facilities, tools and equipment, linkages and the problems met in the implementation of the BSHRT program. The study also identified significant correlation between the profile of the respondents and the implementation of the BSHRT Program. A self-structured survey questionnaire was used to gather relevant data among eighty-seven BSHRT-OJT students. Study showed various significant correlations among variables. Respondents enumerated problems met and to improve the implementation of the Program, an Intervention Scheme was suggested and created.

Key words: *Status, BSHRT Program, EVSU, implementation, descriptive-correlation, Intervention Scheme.* 

#### Introduction

On March 1, 2008, the BSHRT Program started as a separate program as presented to the EVSU Board of Regents during the 25<sup>th</sup> Special Board Meeting of the Eastern Visayas State University by the Student Regent, Hon Dale Daniel G. Bodo, who also happened to be a junior BSHRT student. The need for the separation of the program chaired by a head that possess the minimum qualification *(provided by the CMO No. 30, s. 2006)* is indeed a vital matter to address the issues, problems and concerns of the programs to cope up with the demand of the hospitality industry.

At present, the program is Level 2 AACCUP accredited. It has a total number of 12 faculty members, has a total number of 467 students as of 2013. 286 of which are female and 181 are male. In terms of acquired NC II, 108 students passed the Housekeeping NC II, 14 in Commercial Cooking, 46 in Food and Beverage Services 104 in Front Office Services all of which are 100 % passers.

The BSHRT curriculum is composed of 19 major subjects both lecture and laboratory, 32 general education subjects from first year to third year and 1,440 hours in the on the job training both in hotel and restaurant phase during fourth year. Students are required to take and obtain the NC II from TESDA especially those that are registered in TESDA such as Cookery and Food and Beverage Services. Other major subjects with competency assessments are not at all mandatory.

CHED reported that SUCs are producing graduates which do not answer the needs of the industry. Based on the reports of some students and instructors teaching major/ laboratory subjects, lack of laboratory tool, facilities and equipment had been one of the greatest concerns of the students. This is essential aspect of the program given the fact that it molds and enhances students' capabilities in terms of knowledge, skills and attitude. There are also other aspects in the students' future career which are not embedded in the curriculum.

The foregoing statements and observations prompted the researcher to conduct a study on the status of the Bachelor of Science in Hotel and Restaurant Technology of Eastern Visayas State University. It is therefore in this premise that this study was conducted to evaluate and assess the Bachelor of Science in Hotel and Restaurant Technology Program of Eastern Visayas State University and determines the factors affecting the program at large.

# Statement of the Problem

This study was conducted to determine the status of the implementation of the BSHRT Curriculum of the Eastern Visayas State University Tacloban Campus. Specifically, this study sought answers to the following questions:

1. What is the profile of the BSHRT students in terms of the following:

- 1.1 Age
- 1.2 Gender
- 1.3 Acquired National Competency Certificate
- 1.4 Level of Competency Acquisition

2. What is the status of the BSHRT program of EVSU as perceived by the students in terms of the following aspects:

- 2.1 Laboratory tools and equipment
- 2.2 Local and international linkages
- 3. Is the status of the BSHRT program related to the profile variables?

4. What are the problems encountered by the respondents in the implementation of the BSHRT Program in EVSU?

5. What intervention scheme may be proposed based on the findings of the study.

# Method

# **Research Design**

This study used the descriptive-correlational design to determine the status of the BSHRT program since it sought to answer questions regarding the profile of students namely: age, gender and acquired NC II certificates. The competencies in HRT were also being assessed. The adequacy of material resources such as laboratory facilities, tools and equipment and even the linkages of the program in the local and international settings will also be assessed. It is also a correlational study since it aims to establish the degree of relationship between the respondents profile and the perceived variables of the BSHRT Program.

The researcher used a self-structured questionnaire to gather the necessary data which then statistically analyzed percentages, mean, correlational techniques such as Pearson product movement correlation, point biserial and eta correlation. The Pearson r was used to determine the correlation between the independent and dependent variables.

# Locale of the Study

The study was conducted at the Hotel and Restaurant and Nutrition Department (HRND), Women's Technology, College of Technology, Eastern Visayas State University, Tacloban City.

### **Research Respondents**

Respondents of the study were the 4<sup>th</sup> year on- the- job training (OJT) of the program during the 1<sup>st</sup> Semester and School Year 2015-2016 who were purposively sampled because they have already completed their academic and laboratory requirements and are already TESDA NCII holders.

### **Research Instrument**

The survey instrument was used in this study. There was one (1) set of questionnaire prepared by the researcher himself in consultation with the faculty members of the department and the panel members during the proposal presentation.

### Validation of the Research Instruments

To further improve its content and comprehensiveness, the instrument was subjected to a dry- run amongst the BSHRT students of Eastern Visayas State University Tanauan Campus.

### Data Gathering Procedure

Letters addressed to the concerned administrators of the university were given for permission to conduct the study. The researcher administered personally the questionnaire to student respondent. Retrieval of the accomplished questionnaires was done right after the respondents fully accomplished the instrument. The data gathered were coded, tallied and tabulated carefully and analyzed using SPSS.

### Statistical Treatment of Data

From the data collected from the self-structured questionnaires on the profiles of teachers/administrators and students, the researcher will use the frequency counts and percentages. (Downie and Heath, 1983). To test the null hypothesis which states that there is no significant relationship between the students and Competencies in HRT, Laboratory facilities, tools and equipment, Local and international linkages of the BSHRT Program of the Eastern Visayas State University, the Pearson Product Moment Coefficient Correlation or Pearson r was used.

Correlational Tools were used to determine the relationships between the profile of the respondents and the status of the BSHRT Program in terms of laboratory tools and equipment and in the local

and international linkages. It used Pearson r, Point Biserial and Eta correlation. The Point-biserial Correlation Coefficient (rph) was used to compute the variables of the respondents. The Statistical Package for Social Sciences (SPSS) was used for the purpose of data analysis. The action the Null Hypothesis was tested at .05 probability level.

# Presentation, analysis and interpretation of data

Table 1 Profile of the Respondents

Variables	Frequency	Percent
Age 19 – 24 years old (Young) 25 – 29 years old (Young Adult) 30 and above (Adult)	81 5 1	93.10 5.75 1.15
Total	87	100.00
Gender Male Female	35 52	40.23 59.77
Total	87	100
Acquired National Competency Certificate (NC II)	69	79.31 2.30
Cookery Bartending Food and Beverage	2 87 5	100.00 5.75 24.14
Front Office Services House Keeping	21	

• Multiple Responses.

Majority (93.10%) of the respondents' age "young"; as to gender, majority or 59.77% of the students respondents are female, while there were 35 or 40.23% were male. On the acquired National Competency certificate, 87 or 100% of the student respondents are NCII Food and Beverage certified; while 69 or 79.31% NCII Cookery holders; 21 or 24.14% obtained House Keeping NCII; however, there were 5 or 5.75% with NCII in Front Office Services; while 2 or 2.30% had NCII in Bartending.

### **Basic Competencies**

It can be gleaned that the basic competencies of the BSHRT program is described by the students as "to a very great extent" with an over-all mean 4.51. Among the basic competencies that were described "to a very great extent" is practice occupational health and participate in the workplace communication with a mean score of 4.60 and 4.54 respectively. These findings revealed that the students have instilled in their minds that whatever knowledge and skill they may have acquired in their field, they have to observe proper protocol in terms of hygiene, sanitation and maintaining cleanliness in the workplace at all times

Table 2Basic, Common and Core Competencies of BSHRT Program

Basic	Competencies	Mean	Qualitative Description
1.	Participate in workplace communication	4.54	To a very great extent
2.	Work in a team environment	4.43	To a great extent
3.	Practice career professionalism	4.46	To a great extent
4.	Practice occupational health	4.60	To a very great extent
Overa	ll Mean	4.51	To a very great extent
Comm	on Competencies	Mean	Qualitative Description
1.	Develop and update industry knowledge	4.43	To a great extent
2.	Observe workplace hygiene procedures	4.54	To a very great extent
3.	Perform computer operations	3.91	To a great extent
4.	Perform workplace and safety practices	4.40	To a great extent
5.	Provide effective customer service	4.46	To a great extent
Overa	ll Mean	4.35	To a great extent
Core (	Competencies	Mean Values	Adjectival Description
	- Bartending	4.58	To a very great extent
	- Cookery	4.31	To great extent
	- Food and Beverage Services	4.57	To a very great extent
	- Front Office Services	3.48	To some extent
	- Housekeeping	4.27	To a great extent
	- Tour Guiding Services	4.08	To a great extent
Overa	ll Mean	4.27	To a great extent

They have also considered themselves to have greatly acquired the communication skills. They are exposed in the classroom setting where they were required to practice the language skills but also during their OJT. This finding indicates that the students were properly oriented that they need to be competent in their communication skills as it is a basic requirement of their profession and industry.

#### **Common Competencies**

Moreover, the common competencies required for HRT are also reflected in table 2. On the over-all, it shows that the mean value is 4.35 described "to a great extent". This result means that the students are competent enough on the common competencies required of them. The table also shows that students are competent "to a very great extent" on observe workplace hygiene procedures. This skill is consistent with their assessment on the basic competence on practice occupational health. This finding implies that the students are trained to work and observe hygiene and sanitation practices.

On the other hand, the skills on perform computer operations got the lowest score of 3.91, described to great extent. The mean value indicate that the students need more skills in computer operations.

#### Core Competencies

Looking closely at the table, it shows that Bartending (4.58) and Food and Beverage Services (4.57) got the highest in rank in terms of acquisition of competencies in HRT which has an adjectival description of "to a very great extent". It only goes to show that out of the respondents' stay in the program, they have acquired much more skills in the Bartending and Food and Beverage Services. Out of the HRT competencies expected to be acquired by the students, Front Office services got the lowest rating in terms of acquisition of competencies with a mean 3.48 or "to some extent". This implied that there is a need to focus more on the Front Office Service activities especially on hands on and communication skills of the students.

#### Table 3Status of Laboratory Tools Available in HRT

Tools that are available and functional in HRT are in bartending whose mean is 2.65. Cookery got the mean 2.58, food and beverage services include dinnerwares, cutleries, glasswares, tables, cloth and other linens and accessories whose mean scores are as follows: 2.83, 2.82, 2.99, 2.54, and 2.65 respectively.

Laboratory Tools	Mean	Description
Bartending		
- Bar Tools	2.68	Available and Functional
Cookery		
- Cookery Tools	2.58	Available and Functional
Food and Beverage Service		
- Dinnerwares	2.83	Available and Functional
- Glasswares	2.99	Available and Functional
- Cutleries	2.82	Available and Functional
- Tables	2.54	Available and Functional
- Cloth and other linens	2.65	Available and Functional
- Accessories	2.65	Available and Functional
Front Office Services		
- Front Office Tools	1.59	Available but not
		Functional
Housekeeping Tools		
- Housekeeping Tools	2.41	Available but not
		Functional
Tour Guiding Services	-	
		-

The mean scores reveal that the students did not encounter problem on the use of tools in their field of specialization. The needed tools during their laboratory work were available and functional. On the contrary, the mean values on the tools for front office service is 1.59 while housekeeping is 2.41. Both values were described "available but not functional". These findings indicate that though the tools needed for housekeeping and front office services are available but they do not serve the purpose. The tools needed for housekeeping are common but are not provided are important materials like sorting and laundry baskets, step ladder, water hoses, anti- static dusters, gloves and mop squeezers.

Likewise, for front office service tools, the tools needed which are considered available but not functional are credit card voucher holder and bell boy's cart. The students consider the importance of those small materials especially in taking the NC II and in their work. The results also imply that the implementation of the BSHRT program had met the standards set by the CMO No.30 S. 2006 in terms of laboratory tools in terms of bartending, cookery, and food and beverage services. On the other hand, the result in front office services and housekeeping implies that there is still a need to upgrade and purchase more advanced tools as provided in the CHED and TESDA standards to be utilized by the students to better execute and acquire the necessary skills.

### Laboratory Equipment

As reflected on the table, it can be seen that the mean values for equipment in bartending is 2.08, cookery= 2.02, food and beverage services= 2.11, housekeeping= 2.27, front office is 2.04 and tour guiding in 2.06 and are all described as "available but not functional".

The findings reveal that all the equipment fall short of the required standards for laboratory activities. This implies that the students fail to use the necessary equipment for their practical tests and demonstration purposes. They felt the absence of actual laboratory work which complements the concepts, principles and lessons during their lecture. This result revealed that the status of the BSHRT program in terms of laboratory equipment did not meet the standards set by CMO No.30 S. 2006 and as required by TESDA in their training regulations.

#### Table 4Status of Laboratory Equipment Available in HRT

Laboratory Equipment	Mean	Description
Bartending		
- Bar Equipment	2.08	Available but not Functional
Cookery		
- Equipment	2.02	Available but not Functional
Food and Beverage Service		
- Equipment	2.11	Available but not Functional
Front Office Services		
- Front Office Equipment	2.04	Available but not Functional
Housekeeping Tools		
- Housekeeping Equipment	2.27	Available but not Functional
Tour Guiding Services		
- Equipment	2.06	Available but not Functional

This finding concurs with the study of Cambangay, Bacani, Nical, Paclibar, and Bustamante that in order to fully learn and acquire the necessary skills, there should be presence and availability of the tools and equipment especially in the laboratory activities. In addition to these, the right tools and equipment can great create a huge impact in the acquisition of skills amongst the students which are very helpful especially in their on the job training.

International and Local Linkages	Mean	Qualitative Description
1. International industry linkage or partner (e.g. OJT Placement)	4.46	Very Strong
2. Local industry linkage or partner (e.g. OJT Placement)	4.51	Very Strong
3. Existing international OJTs	4.66	Very Strong
4. Existing local OJTs	4.69	Very Strong
5. Existing memorandum of agreement with the Industry partner	4.69	Very Strong
Overall Mean	4.60	Very Strong

 Table 5
 Status of the BSHRT Program in terms of Local and International Linkages

In terms of the status of the Local and International Linkages, the table showed a very positive response. "Existing local OJTs and existing memorandum of agreement with the Industry partner" got a mean of 4.69 described as "very strong. This means that the student were informed about the implementation of the OJT and documents such as the memorandum of agreement was a common knowledge to all those who will have their OJT both local and International. On the other hand, "international industry linkage or partner" has a mean of 4.46 or very strong. Rated the lowest though not bad at all, the implementation of OJT in terms of information dissemination especially in term of international linkages is not very well strengthened. This is probably because it is very expensive in terms of its offer.

Table 6Relationship between the Respondents' Profile in terms of Age, Gender and AcquiredNC II and the Status of BSHRT Program in terms of Laboratory Tools and Equipment

It could be gleaned in Table 7 that among the paired variables between the respondents profile and the status of the BSHRT program, bar equipment, food and beverage services and front office service tools revealed significant relationships.

	Age			Gender			Acquired NC II		
Laboratory Tools and Equipment	Corr elati on Coef ficie nt	p- valu e	Interp retatio n	Corr elati on Coef ficie nt	p- value	Interp retatio n	Corr elati on Coef ficie nt	p- valu e	Interp retatio n
Bartending - Bar Tools	0.191	0.28 8	NS	0.231	0.189	NS	0.311	0.06 9	NS
- Bar Equipment	0.080	0.65 7	NS	0.140	0.431	NS	0.397 *	0.01 8	S
Cookery	0.113	0.53 1	NS	0.274	0.117	NS	0.276	0.10 9	NS

	1		r	1		r	1	1	
Laboratory Equipment	0.087	0.63 2	NS	0.053	0.764	NS	0.099	0.57 3	NS
Food and Beverage Services - Dinnerwares	0.240	0.17 9	NS	0.351 *	0.042	S	0.121	0.49 0	NS
- Cuttleries	0.077	0.67 0	NS	0.261	0.136	NS	0.269	0.11 8	NS
- Glasswares	0.171	0.34 2	NS	0.112	0.527	NS	0.101	0.56 4	NS
- Equipment	0.033	0.85 4	NS	0.172	0.330	NS	0.212	0.22 1	NS
- Table	0.045	0.80 4	NS	0.056	0.753	NS	0.234	0.17 5	NS
- Cloth and other Linens	0.052	0.77 2	NS	0.754	0.043	S	0.156	0.37 2	NS
- Accessories	0.049	0.78 7	NS	0.273	0.118	NS	0.323	0.05 8	NS
Front Office Service Tools	0.085	0.63 7	NS	0.401 *	0.016	S	0.205	0.23 8	NS
Front Office Service Equipment	0.123	0.49 7	NS	0.276	0.115	NS	0.193	0.26 6	NS
Housekeeping Tools	0.027	0.87 9	NS	0.159	0.370	NS	0.145	0.40 8	NS
Housekeeping Equipment	0.078	0.66 8	NS	0.199	0.260	NS	0.129	0.46 0	NS
Tour Guiding Equipment	0.110	0.54 3	NS	0.107	0.546	NS	0.199	0.25 1	NS

S= Significant NS= Not Significant

#### **Bar Equipment**

For bar equipment and NCII Certificate, it is significantly correlated with the Acquired NC Certificates having the correlation coefficient value of 0.397 whose p-value is 0.018. This would mean that whatever available equipment and tools in bar services, the BSHRT students were able to utilize them in the laboratory, hence it contributed to their performance in NCII assessment, hence the null hypothesis in this aspect is rejected.

#### Food and Beverage Services

As to Food and Beverage Services–Dinner wares and cloth and other linens paired with gender is significantly correlated with a coefficient value of 0.351 and 0.754 respectively whose p-values are less than 0.05 level of significance. This implies that regardless of gender, both male and female BSHRT students have common competencies gained in their laboratory activities, specifically in F and B services, thus the null hypothesis in this aspect is rejected.

#### Front Office Services

On Front Office Services paired with gender, it obtained a coefficient value of 0.401 which means significantly correlated. It could be noted that majority of the BSHRT students were assigned at the EVSU Executive House as FO staff and other areas of the operation. The EVSU Executive House is a facility of the university where the students with subject deficiency in the general education core are deployed for their on- the- job training. Their exposure to the actual activities helped them enhance their skills needed in the hospitality industry in the future, thus the null hypothesis in this aspect is rejected.

Table 7Relationship between the Respondents Profile in terms of Level of CompetencyAcquisition in HRT and the Status of BSHRT Program in terms of Laboratory Tools andEquipment.

It could be gleaned on the table that in terms of laboratory tools and equipment, only bartending with coefficient value of 0.337, dinnerwares with 0.386, cutleries with 0.382 and front office service equipment with 0.344 are significantly correlated with core competencies. The result implies that the knowledge and skills of the students in terms of the acquisition of the core competencies in these aspects are dependent of the availability of the tools and equipment.

	Competen	Competencies in HRT									
Laboratory	Basic			Common			Core				
Facilities and Equipment	Correlat ion Coefficie nt	p- value	Inter preta tion	Correlat ion Coefficie nt	p- value	Inter preta tion	Correl ation Coeffic ient	p- value	Inter preta tion		
Bartending Bar Tools	0.128	0.463	NS	0.246	0.155	NS	0.337*	0.047	S		
Bar Equipment	0.067	0.701	NS	0.007	0.970	NS	0.233	0.178	NS		
Cookery	0.144	0.408	NS	0.136	0.437	NS	0.264	0.126	NS		
Laboratory Equipment	0.166	0.339	NS	0.146	0.402	NS	0.274	0.112	NS		
Dinnerwares	0.095	0.586	NS	0.401*	0.017	S	0.386*	0.022	S		
Cuttleries	0.176	0.311	NS	0.292	0.089	NS	0.382*	0.024	S		
Glasswares	0.003	0.986	NS	0.014	0.936	NS	0.062	0.724	NS		
Equipment	0.069	0.695	NS	0.049	0.778	NS	0.241	0.164	NS		
Table	0.034	0.845	NS	0.183	0.294	NS	0.070	0.691	NS		
Cloth and other Linens	0.079	0.651	NS	0.038	0.827	NS	0.017	0.925	NS		
Accessories	0.104	0.553	NS	0.031	0.859	NS	0.176	0.313	NS		
Front Office Tools	0.010	0.953	NS	0.062	0.723	NS	0.171	0.326	NS		
Equipment	0.050	0.776	NS	0.134	0.443	NS	0.344*	0.043	S		
Housekeeping Tools	0.036	0.839	NS	0.129	0.459	NS	0.260	0.131	NS		
Equipment	0.120	0.491	NS	0.219	0.205	NS	0.275	0.110	NS		
Tour Guiding Equipment	0.045	0.798	NS	0.069	0.693	NS	0.248	0.150	NS		

On the other hand, only dinner wares with a coefficient value of 0.401 is significantly correlated with common competencies. This implies that having these tools will help students get familiar with the basic and standard tools to be utilized in the industry specifically in food and beverage service.

# Table 8Relationship between the Respondents Profile and Status of Local and InternationalLinkages

The table shows that among the paired variables, only gender is significantly correlated with the local and international linkage. It got a correlation coefficient of 0.210 with a p-value of 0.007. It clearly states that gender; mostly the females are convinced that there is a strong implementation of on the job training both locally and internationally.

On the contrary, the other variables did not show positive correlation with the students' responses on the status of the local and international linkages. It implies that the said profile variables did not influence their observation as to the school and industry linkages.

Profile Variables	<b>Correlation Coefficient</b>	p-value	Interpretation
Age	0.326	0.064	Not Significant
Gender	0.210*	0.007	Significant
Acquired NC Certificate	0.150	0.388	Not Significant
Basic Competencies	0.247	0.152	Not Significant
Common Competencies	0.256	0.138	Not Significant
Core Competencies	0.285	0.097	Not Significant

Table 9Problems Encountered by the Respondents in the Implementation of the BSHRTProgram

Problems		Frequency	Rank	
Α.	Curriculum and Instruction			
	1. Obsolete Teaching Strategies	20	1	
	2. Lack Laboratory Activities	19	2	
	3. No subject in Swimming & Personality	18	3	
	Development			
	4. Poor OJT Procedures	15	4	
В.	B. Faculty			
	1. Lack Supervision during Laboratory Activities	18	1	
	2. Lack Periodic Monitoring of OJTs	17	2	
	3. Use outdated Teaching Strategy	15	3	
C.	C. Laboratory Facilities, Tools and Equipment			
	1. Lack laboratory facilities, tools and equipment	20	1	
	2. No adequate supply of LPG	18	2	
	3. Poor lighting and ventilation	16	3	
D.	Library			
	1. Lack of references, recipe books, journals and	20	1	
	magazines			
Е.	Linkages	12	1	
	1. Lack of Industry linkages for OJT			
	F. Working Environment			
	1. Lack of implementing policies for OJTs	8	1	

It can be gleaned on table 10 that "obsolete teaching strategies" was ranked as the number one problem encountered in terms of curriculum with frequency=20. In terms of problems encountered in faculty, lack of supervision during laboratory activities ranked first with f=18. In terms of laboratory facilities, tools and equipment, lack of laboratory facilities, tools and equipment was ranked first with f=20, In line with the problems encountered on the library holding, one common problem was identified by the respondents which were the lack of references, recipe books, journals and magazines with f=20. With regards to the linkages, the respondents identified lack of industry linkages for OJT as the sole problem with f=18 and lastly, lack of implementing policies in OJT was the only identified problem in terms of working environment in OJT with f=7.

#### Conclusions

Generally, the BSHRT student respondents are young; majority is female; and majority are holders of NC II in Food and Beverage and Cookery. The acquisition of Competencies in HRT in Basic, Common and Core competencies were rated "to a great extent"; The laboratory tools and equipment of the Hotel and Restaurant Technology Program are "available but not functional"; Student respondents rated "very strong" for the Local and International linkages of the BSHRT Program. Among the paired variables, bar equipment and NC II Certificate are significantly correlated. Food and Beverage Services–Dinner wares, cloth and other linens and gender are also significantly correlated. Front Office Services paired with gender is significantly correlated, laboratory tools and equipment, dinnerware are significantly correlated with common competencies. Bartending, dinnerwares, cutleries and front office service equipment are significantly correlated with core competencies and gender is significantly correlated with the status of the local and international linkages.

As to the implementation of the BSHRT Program, student respondents cited "Obsolete teaching strategies" as the number one problem encountered in curriculum and instruction. In faculty, "lack of supervision during laboratory activities" ranked first. In laboratory tools and equipment, "lack of laboratory tools and equipment" was identified as the main problem encountered, in library, "the lack of references, recipe books, journals and magazines" were the only problems cited. On linkages, "lack of industry linkages for OJT" was the only problem met and lastly, "lack of implementing policies in OJT" was also the only problem identified.

#### Recommendations

The BSHRT program must intensely be promoted amongst incoming male college students that there is a great demand of employability in the hospitality industry. It should be mandatory that all students must take TESDA NC II in all available trade areas. There should be a consistent focus on the acquisition of basic, core and common competencies amongst the students. The Tools and Equipment of the laboratory must be upgraded into state-of-the- art like in actual hotel and restaurant industry. The BSHRT Facilities such as laboratory rooms must be renovated according to the standards prescribed by CHED CMO and Building Code of the Philippines. To increase the learning of the students, there should be more linkages where students can apply their acquired knowledge and hands-on skills. The program should encourage more students to participate in international linkages to enhance their capabilities and competencies thereby compete the world of work globally. To keep abreast with the ASEAN Integration, there is a need to revise the curricular offering and require NC II certification in all subjects with TESDA standards. To enhance competencies, it is suggested that faculty must undergo hospitality related trainings and industry immersions and must acquire NC III & IV from TESDA.

For a meaningful program implementation, the library must be updated and must have new holdings of books, journals and magazines and most importantly, the complete set of ASEAN Toolbox for hospitality related program. To effectively implement the OJT phase of the BSHRT Program, the OJT coordinator must design a comprehensive OJT plan and come up with specific OJT manual. The OJT coordinator must conduct a periodic monitoring and evaluation of industry partner and OJTs' performance. A similar study may be conducted to establish the validity of the findings of the present study.

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# THE ROLE OF LOCAL FOOD IN CULINARY TOURISM DEVELOPMENT A CASE STUDY ON THE THRACE WINE ROUTE

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#### Abstract

Culinary tourism can be defined as any tourism experience in which one learns about, appreciates or consumes branded local culinary resources. The range of activities included in culinary tourism are eating of meals prepared with local ingredients, purchase of local food products, attending festivals, and visiting food and beverage producers. Wine tourism in Turkey is a relatively new field of study so that little research has been conducted in the country. This paper investigates the role of local food in culinary tourism development and the vineyards of a specific wine route created in Thrace region in relation to tourism.

Key Words: Culinary Tourism, Traditional Food, Local Food, Thrace Wine Route, Turkey.

#### Introduction

There are many words that describe the linking of food and drinks to tourism: culinary tourism, gastronomy tourism, food tourism, gourmet tourism and tasting tourism. Yet, there are smaller differences. In gastronomy tourism people focus more on the consumption and in culinary tourism the preparation of food and beverages are the focus (Ignatov and Smith, 2006, pp. 237-238). Furthermore, the motivation of tourists differs between these terms. Gourmet tourists are going to a certain area just because of a certain restaurant or market there, whereas culinary tourists visit for example a market in addition to other activities of their trip (Hall and Sharples, 2003, p. 11).

Smith and Xiao (2008, pp.289-290) define culinary tourism as "any tourism experience in which one learns about, appreciates or consumes branded local culinary resources". It includes both travel motivated by culinary interests and travel in which culinary experiences occur but are not main drivers for the trip. The range of activities included in culinary tourism are eating of meals prepared with local ingredients, purchase of local food products, attending festivals, and visiting food and beverage producers. Food and beverages produced in the region and promoted and branded as such are considered as local food products. Culinary tourism can be defined as "tourism trips during which the purchase or consumption of regional foods (including beverages), or the observation and study of food production (...) represent a significant motivation or activity". The culinary offerings do not even have to be the primary motivation to visit a place, just the action of experiencing a country through it defines it as culinary tourism (Ignatov and Smith, 2006, p. 238).

Consumers seek overall pleasure, including culinary pleasure. Culinary delights are more than just satisfying the basic needs; they grant sensual enjoyment. The authentic culinary offer even gains value when it comes to a holiday decision. Regarding the choice of food, more and more tourists

prefer ingredients which were directly produced in the region they are spending their holidays. In contrast with the global common taste, those regional groceries promise natural taste and accountability. For this reason, the authentic culinary offer is extremely tempting for tourists and can lead to a motive for going on holidays (König, 2013, pp. 14-15).

In the last decade the trend of culinary tourism was not only recognized, but continues to grow. Mirtaghiyan, et al., (2013, p. 63) state that this is because "people spend much less time cooking, but choose to pursue their interest in food as a part of a leisure experience". The reasons for the boom of culinary tourism are: Firstly, in times of globalization people are longing for origin and high quality of food which they can trust. Secondly, regional food conveys identity and a sense of belonging to its consumers. As a third point, the value creation is kept in the region and the local farmers and small suppliers can survive. This aspect entails regional development. Food and beverages do not only fulfil basic human needs but also special tourism needs. This is why culinary tours became very popular lately. Culinary tourists take part in cooking classes, do wine tastings, visit farmers' markets and enjoy food festivals (Cook, Yale and Marqua, 2010, p.182). The development of wine and food tourism is closely related to the growth of small-scale specialist "boutique" wine producers in Turkey.

#### **Theoretical Framework**

Food tourism is visitation to primary and secondary food producers, food festivals, restaurants and specific locations for which food tasting and/or experiencing the attributes of a specialist food production region are the primary motivating factors for travel (Douglas, et al., 2001, p. 308). Wine tourism can be defined as visitation to vineyards, wineries, wine festivals and wine shows for which grape wine tasting and/or experiencing the attributes of a grape wine region are the prime motivating factors for visitors (Hall, 1996, pp. 109-119; Macionis, 1996, pp. 264-286).

Tourism; cuisine and food preferences have become closely entwined as places seek competitive advantage in the international market place: This is achieved through the promotion of cuisine, which increases demand and leads to corresponding influences on the production and consumption of wine and food, and where international travel has itself allowed for the transfer of culinary skills and ideas, and changes in consumer demands (Douglas, et al., 2001, p. 310). Indeed, if food is a primary influencing travel behavior and decision making, special interest travel, wine and food tourism can be viewed as gourmet or cuisine tourism. This is because ,foodies' regard their interest in wine and food as a form of ,serious leisure' (Douglas, et al., 2001, p. 309).

As grape wine regions are almost always rural areas, at what point does rural tourism become wine tourism? At what point therefore does a visitor to a wine region become a wine tourist? These are questions which apply equally to food tourism (Johnson, 1998). Wine and food can therefore express regional culture as well as a regional environment. Such a relationship is extremely significant for tourism. It provides possibilities for using wine and the associated vineyard landscape to establish a strong regional identity in the tourism marketplace, as well as to convey the notion that tourists will have authentic experiences when they visit a region. Wine is becoming a significant dimension both in promoting a regional image and representing a focal point of tourist interest (Douglas, et al., 2001, p. 313).

In many New World wine regions and, increasingly, traditional wine-growing areas in Europe, wine tourism is seen as a means to combat the effects of rural restructuring. Boutique wineries are the archetypal small business in rural economies where small-scale businesses dominate and are most affected by economic restructuring. Wine-related tourism is therefore a significant factor in sustainable rural development, most obviously through the creation of jobs, the sale of local merchandise and the potential for creating linkages with other local businesses (Douglas, et al., 2001, p. 320).

Wine roads are themed routes that help marketing and branding a region, as the products of a region stand in the main focus and people living there and companies located there have the feeling they belong together (Meyer-Czech, 2003, pp. 149-156). People choose a region because of wine and then consume and buy from the local wine makers. A win-win situation for both sides. In addition, these wine routes enable regional producers to sell their food invading many traditional dishes. The "Genussmeile" in Austria is organized by the regional tourism office Wienerwald Tourismus and takes place on the first and second weekends in September, usually until the sun goes down (Thermenregion Wienerwald, 2016).

Usually a wine tourist visiting these wine routes is middle aged and older, has a higher income and already some knowledge about wine (Getz, 2000, p. 57). Thornley (2016, p. 159) identified four basic types of wine tourists:

1. The casual visitor, whose major reason for the stay was something else and just came over for a quick look.

2. The winery tourist, who has already been there and comes back on a regular basis.

3. Wine country aficionados, who have already an extensive knowledge about wine and are expecting high quality within their stay.

4. Wine collectors, who are travelling to a specific region to consequently buy a bottle of that special wine.

All these types of wine tourists experience their stay with all their five senses. They taste the products offered in the region, smell the surrounding as well as the wine, touch the glass or the grapes when helping wine picking, see the area with its beautiful vineyards and hear the sound glasses make when toasting or from winemaking equipment at work. Most of the tourists come from the local and regional markets but due to better offers more international guests are to be expected (Getz, 2000, p. 55). Furthermore, it is important that wine tourism is authentic, fun and people learn something about wine and culture within their visit (Getz, 2000, pp. 2-3). Cellar door visits and tastings, guided tours and wine and food festivals are among the means by which people experience and learn about wine (Douglas, et al., 2001, p. 317).

#### **Thrace Wine Route**

Many regional areas are aiming to build on the production of regional foods and wines in order to market new travel and destination experiences (Douglas, et al., 2001, p. 320). Wine

tourism is therefore emerging as a strong and growing area of special interest tourism in Turkey like in Australia, and become an increasingly significant component of the regional tourism product. Wine tourism also facilitates producer-consumer interaction and involves education about and experience of wine products and wine regions, including local cultures and regional landscape.

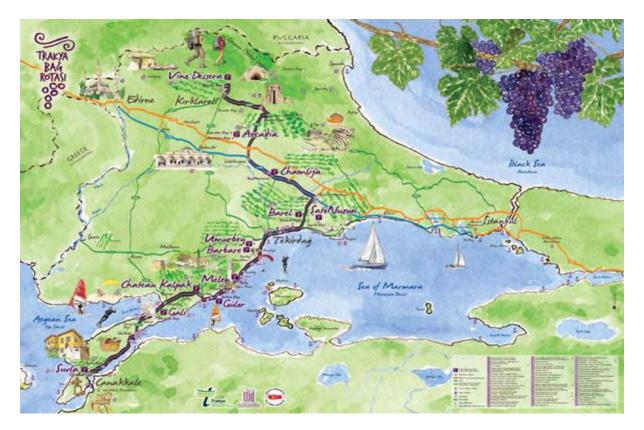
When going on a holiday, a big part of experiencing the region is through its food. Tourists on the food and wine trail are people who enjoy food and wine and are interested in finding out more about production methods. They are open to new experiences and see food as a delightful way to discover new and different cultures and identities. They are willing to spend time, at some point during their holiday, on educational activities as such farm visits, guided tours and tasting, etc. (Croce and Perri, 2010, pp. 45-47). The wine route enables visitors to meet the wine producers as well as to participate in a variety of activities which are held in wine tasting centers and wine museums (Correia and Ascencao, 2006, pp. 242-254). The process of developing wine routes represents a new phase in the Turkish wine industry, which is trying to reach those who have some interest in wine and are fascinated by the country's natural and cultural heritage.

In 2000, several visionary winemakers came to the area to rediscover the Thrace wine region. Other winemakers have followed. The Thrace route is a less travelled path on a diverse terroir and easily accessible from Istanbul. The project was called "Thrace Wine Route" consisting of 12 boutique wineries Vino Dessera, Arcadia, Chamlija, Chateau Nuzun, Barel, Umurbey, Barbare, Melen, Gülor, Chateau Kalpak, Gali and Suvla, established in 4 different regions of Thrace; which are Tekirdag, Sarköy, Kirklareli and Gelibolu (Gallipoli) (https://vimeo.com/91316242). The project was also supported by Thrace Development Agency and Tourism Directorate of the region (https://sarapatolyesi.net). Thrace wine region accounts for 13.6% of all the wine produced in and has elegant balanced wines Turkey, and the most in the country (http://www.blackseatourism.org/files/WINERIES Turkey PIRT.pdf).

The wineries at the heart of the Thrace are very close to Istanbul. Each region has got its unique particularity in terms of terroir which makes a fantastic diversity in the vineyards and of course the wines produced. The combination of culinary offers with wine and tourism provides a good motive for the Thrace Wine Route to continue to develope and make itself attractive for national and international visitors. The region offers a beautiful landscape, lots of routes for hiking tours and an old wine culture with regional food, like Lutuka, Tekirdag Köftesi, Ciger Sarma, Kaçamak, Damat Pacasi, Akitma, Bulgurlu Eksimikli Kol Böregi, Dızmana, Otlu Sini Pidesi, Pırasa Böregi, Kandilli Manti, Misir Unu Dolmasi, Zennik, Pirese, Kalle, Ayva Kallesi, Erik Asi, Zerde, Nisasta Helvasi, Irmik dolmasi, Hosmerim, Hakuk, Cizleme, Gaziler Helvasi.

Wine tourism is used not only as a significant marketing and branding tool and an additional income source in wine regions (Beverland, 2006, pp. 251-258), but it also reinforces the individual identity of regions and wineries by presenting and preserving the unique authentic social, cultural, historical and geographical characteristics of wine-producing regions (Morgan and Tresidder, 2016, pp. 112-113). Wine routes have become important tourism products worldwide, as well as acting as a tourism promotional tool. In general, a wine route consists of one or more designated itineraries through the wine region. The route should be clearly signposted as well as being marketed and interpreted via a leaflet and map, which notes the different vineyards and winemakers and provides information on sites of natural and cultural interest (Correia and

Ascencao, 2006, pp. 242-254). A highly motivated tourist on a food and wine trail seeks out a region's resources, sets out to enjoy with all five senses a region's products and aspires to buy an object or souvenir to 'savour' when the holiday is over. In order to enter the hearts and minds of tourists and leave a lasting impression, destinations (and actors working on the supply side) must be able to offer unique, complex and emotionally stimulating experiences (Croce and Perri, 2010, pp. 45-47).



The map for Thrace Wine Route (www.thracewineroute.com).

#### Conclusion

It was found that those who market the region define the culinary offer as wine, and the traditional food served in the region supports this experience. Interviewees who have stands at the event think that the culinary offer deals with food, which contradicts with their job as winemakers. From their point of view wine supports the food experience. Culinary tourism plays a big role in the region. It is on the one hand easy to market and on the other hand easy to combine with other forms of tourism like eco- and rural tourism. In culinary tourism the "The Thrace Wine Route" is an important factor, as it is a big motivation to travel to this region and visitors experience the diversity the region has to offer. Moreover, the wine route brings with it sustainability, an important factor for a good touristic product in the future. In sustainability, it is very important to use regional products, which is done by the winemakers in any case when opening their wineries.

Furthermore, the wine route provides good marketing for the region is as it shows the diversity of products it offers and the activities people can undertake – the awareness level is raised. Also,

people are brought together through the events at the wine route. On the one hand consumers with producers as visitors can get directly in touch with winemakers and on the other hand whole communities have started to work together on one product. It should stay traditional and sustainable and only goods produced in the region should be sold as this is the main idea behind the activities at the Thrace Wine Route. Another future prospect will be, that some events might be organized at the weekends in order to attract more tourists to the region. Through this extension hotels bookings will increase and guests might stay longer, which is another goal for the future. Also, more attention should be paid to the wine interested visitors, as this is the main target group of the travelers. Of course, this could be also a trip for the whole family as the route is easy to walk, but the winemakers especially want to sell and raise awareness of their products, the special attention lays on other groups of visitors.

Rural tourism may be a major force for change in rural areas contributing to permanent inmigration and increased second home ownership. Wine and food tourism can contribute to tourists' perception of an authentic visitor experience (Douglas, et al., 2001, p. 322). Many wine regions and tourism destinations have realized that the benefits of wine tourism extend well beyond the cellar door to virtually all areas of the regional economy and into the urban areas that generate the majority of wine tourists. Wine, food, tourism and the arts collectively comprise the core elements of the wine tourism product and provide the lifestyle package that wine tourists aspire to and seek to experience (Carlsen, 2004, pp. 5-13). The stakeholders of the region try to foster the links between wine, food and Turkish lifestyle.

Wine tourism is more than visiting vineyards; it has the power to create and develop a region's identity and increase distribution channels (Everett, 2016, p. 126). The potential for wine tourism destinations to package 'extraordinary' wine tourism experiences (Ali-Knight and Carlsen, 2003) is yet to be fully researched and developed but may provide a comparative advantage for those wine. The consumers are focusing less on the ways in which wine is made and more on related recreational issues such as events, food and the overall experience of the vineyard. Wine tourism operates in conjunction with other forms of tourism such as food, environmental and heritage tourism (Correia and Ascencoa, 2006, pp. 242-254). Wine has become part of people's lifestyles (especially in the West) and people seek out wine for leisure and pleasure.

Seasonality is an issue in all forms of tourism including wine tourism. Of course, most people travel in summer when the weather is beautiful but wine is a product that needs care the whole year around. In winter the wine is trimmed, ice wine is produced and wine is prepared for bottling. In springtime new wine is planted and wine is matured. In summer the last year's wine is bottled and canopy management is done, and in autumn grapes are picked, crushed, pressed and fermented. These various steps of producing wine could be part of or reason for wine events to develop a long-term effect to not only have wine festivals in autumn. (Getz, 2000, pp. 10-11)

A big part of wine tourism are wine events. They serve as an attraction and are the reason why tourists come, but are still primarily drawing guests living near the location. Unfortunately, it is also possible to attract the wrong target group seen from the wine producers' perspective as their main reason, when taking part in an event, is to create wine lovers. Furthermore, it might get too crowded, where people for whom the tasting of the wine is the primary reason to come might get lost. (Getz, 2000, pp. 164-170) Visitors of wine festivals do not want to just stay in the same place

the whole time and only concentrate on wine. Entertainment, like a concert or a dance, and food should also be part of the event, but the main focus should stay on wine. Additionally, organizers should not forget about offers for families, like kids' activities, although they are not the typical target group for wine tasting (Getz, 2000, pp. 166-170).

Some wineries also produce a newsletter and/or website as a means of maintaining customer relationships (Douglas, et al., 2001, p. 321). Marketing could be made at the fairs and asked for a flyer, on the radio at the radio station, and people find promotions in the local newspapers, on their Facebook sites and homepages and in newsletters. They print their own posters and hang them in their vineyards and the weekends are marked in the calendar, often it is printed on the back of their business cards so people always have it handy. The personal contact, the experience they make is even more pleasant and stays longer in the tourists' memory. the name of the city is printed in every kind of advertisement raising the awareness and it might increase popularity.

Cooperation between the wineries on the togetherness of the region should be established. The events on the wine route has brought the different communities together to work on one touristic product – that is a big benefit to know the range of products and diversity of wines produced on the wine route. Wine and food tourism can contribute to tourists' perception of an authentic visitor experience (Douglas, et al., 2001, p. 322). If the events could be extended, the guests will stay longer. Traditional music groups along the wine route could show their performances. Security along the wine route for different target groups are important.

Not only the local market but the international markets have become increasingly important for the Turkish wineries. They are now offered in some of the best restaurants in the world, and winemakers are offering vineyard and food experiences for tourists, which allows them to promote their wines worldwide (https://www.vivino.com/wine-news/on-the-historical-thrace-wine-route-6-wineries-to-visit).

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# COCO WINE "TUBA" PRODUCTION IN LEYTE, PHILIPPINES

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#### Abstract

Coco wine is a locally produce beverage that has a high potential for export. Coco wine or "Tuba" production in Leyte is documented to determine the existing practices /techniques and tools used in preparation of tanbark, collection, fermentation and aging. Barugo and Palo are chosen sample sites based on its popularity and quality of Tuba produced. There are six (6) Tuba gatherers and six (6) processors interviewed, observed and documented. The age of coconut trees that produces sap is ten years. Gatherers and processors used traditional and modern tools in tanbark preparation, collection, and fermentation/aging of Tuba. The kind of tanbark used serves as indicator in producing quality Tuba. The collection of Tuba is always done in the morning. Cutting of coconut flowering spathe of the coconut palm is usually done in the morning, and afternoon to facilitate continuous flowing of coconut sap overnight. The freshly gathered Tuba was delivered immediately to the tuba processor "Alpor". Screening of the newly delivered Tuba is observed to determine the quality. If pale in color, finely chopped tanbark is added. Majority of the processors used the same fermentation and aging methods/techniques. There are two types of containers used in gathering and fermentation: plastic jug/gallons and glass containers "dama"/gallons. The tanbark "barok" samples contain moisture content, Phosphorous, Crude Protein and Crude Fat. Tuba samples have pH values, Phosphorous, Titrable Acidity (Tartaric Acid), Crude Protein, and Total Soluble Solids (TSS). It is necessary that training on good manufacturing practices (GMP) for both Tuba gatherers and processors be conducted. Further physico-chemical analysis of fermented tuba and sensory evaluation for aged tuba is done for its quality characteristics and acceptability. A replication of the present study involving more municipalities in Eastern Visayas may provide additional information that can be used in the standardization of Tuba production in the region.

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#### Introduction

Philippines produce locally alcoholic drinks. One of which is Coco Wine locally known as "Tuba". According to Gatchalian and de Leon (1992); de Leon et al., (1999), Tuba is a red fermented liquor, obtained by tapping the young flowering spathe of the coconut tree and is milky in appearance (DOST-FNRI Food Composition Table, 2001; Guzman et al., 1986).

Tuba is a widely known local beverage in Samar and Leyte. In Leyte, processors from Barugo, Palo, Tanauan, Alang-Alang, Jaro, Pastrana, and Dulag are known for its quality Tuba. For instance, Tuba from Barugo and Palo, Leyte is more widely accepted by Tuba drinkers in Eastern Visayas.

Likewise, Tuba from Pastrana, with a brand name "John Carlo" gained recognition for its quality, being one of the regional products exhibited in the Wow Philippines 2003 at Intramuros, Manila.

Tuba is very sweet from the point of harvest and gradually becomes vinegary within four (4) hours or more after harvest (Gatchalian and de Leon, 1999; Guzman et al., 1986). To preserve and enhance its characteristics, Tuba gatherers and processors used to ferment the newly harvested Tuba to a longer period to improve its quality like; color, taste and aroma. According to Tuba processors in Leyte, the longer the aging time of Tuba, the better quality products obtained. The Philippine Food and Composition Tables of Food and Nutrition Research Institute (DOST-FNRI, 1997), classified fermented Tuba as alcoholic beverage with an alcohol content of 0.5% for every cup. FNRI (1997) reports further that Tuba contains the following chemical components per 100 grams edible portion, namely: moisture (91.3g), food energy (35 kcal), protein (0.2g), fat (0.3g), (carbohydrate (7.9g), ash (0.3g) calcium ( 38mg), phosphorous (7mg), iron (0.2mg), thiamine (0.01mg), riboflavin (0.02mg), niacin (0.4mg), and ascorbic acid (8mg).

Banzon and Velasco (1982) in Dignos (2005) revealed that Tuba gatherers in the Philippines used bamboo poles as collecting vessels, while the collection techniques varies between localities, and also depends on the use of sap (Dignos,2005). Fernandez (1978) in Dignos (2005) mentioned that Tuba gatherers commonly climb the coconut tree and transfer the content to the collecting vessel carried by the gatherer, and then an amount of tanbark is added. Dignos (2005) studied on the effects of pH, TPC, taste, aroma and acceptability of coco wine. Findings show that adding tangal bark (39.5-50 g/L bark) and sulfite (22-30 mg/L) within 1-2 days during fermentation process produced acceptable coco wine.

Tuba processing industry is one of the promising industries in Leyte, however, Tuba produced from different sources vary in its quality characteristics. It has been observed that there is a high

demand of quality Tuba in the local market. Likewise, processor from Barugo with a trade mark "Barcelo" and Pastrana, Leyte bearing a brand name "John Carlo", produce their own aged Tuba for export. This is a clear indicator of high potentials as a basic commodity in Region 8 or Eastern Visayas that needs further attention for research and development in order to produce quality Tuba product. Proper documentation of Tuba may lead to standardization of Tuba production in the region. Barugo and Palo are municipalities in Leyte that are noted for its quality Tuba (DOST R8). At present, there is no study conducted on the gathering methods/techniques, tools used, moisture content of tanbark, fermentation and aging techniques and analysis of freshly gathered Tuba in the province of Leyte.

The paper describes the existing tuba gathering practices and techniques, tools used in gathering and fermentation, moisture content of tanbark used, sanitation and sanitary practices of tuba gatherers and processors in Barugo and Palo, Leyte.

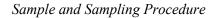
## *Objectives of the study*

Tuba processing industry is one of the promising industries in Leyte, however, the Tuba produced from different sources vary in quality. The paper focused on the documentation of the existing tuba gathering practices and techniques, age of tree, tools used in gathering and fermentation, moisture content of tanbark used sanitation and sanitary practices, and physicochemical analysis of gathered Tuba. Specifically, the objectives of the study are:

- 1. To conduct documentation of the existing tuba gathering practices and techniques among the identified tuba gatherers/processors in Palo and Barugo in terms of: age of coconut tree, pre-preparation techniques for tanbark, proportion of tanbark sanitation and safety, collecting vessels, time of collection, containers for fermentation, fermentation techniques, and sanitation and safety practices;
- 2. To determine the moisture content, phosphorous crude protein and crude fat contents of tan barks; and
- 3. To determine the Acidity (pH), Phosphorous, Titrable Acidity (Tartaric Acid), Crude Protein, and Total Soluble Solid of tuba samples.

# **METHODS Research Design**

The Phase I of the study employed descriptive design. Descriptive design according to Joseph





and Joseph (1986) looks at some phenomena at the present, describe what is observe, make appropriate analysis, and report the significance. The practices of Tuba gatherer and producer respondents were observed, and documented. Likewise, focus group discussion was done to elicit more information. Phase II dealt on the laboratory experiment and analysis of sample tan barks or "barok" and Coco wine or "tuba".

Two municipalities that produce Coco wine in Leyte comprised the locale of this study. These places are Barugo and Palo, and were selected purposively based from the recommendations of the Department of Science and Technology Regional (DOST) Office 8 due to its popularity and quality products reference. The

tuba gatherers and processors were recommended by the Municipal Mayor and Barangay Chairman as to quality of tuba produced and popularity.

A total of fourteen (14) respondents that were involved in the project: four (4) Tuba gatherers and three (3) tuba producers from Palo and Barugo. Tanbarks and Coco wine samples were purposively taken from tuba producers.

Phase I of the project was focused on the interview, observation and documentation of the existing Tuba gathering techniques and practices, age of coconut trees, tools used in gathering, fermentation and aging, tanbark

*"barok"* preparation and amount added, fermentation and aging techniques, and sanitation and safety practices among the identified Tuba gatherers called *"Mananggiti"* and processors/producers *"Alpors"* of *Tuba* in Palo and Barugo, Leyte. Phase II dealt on the analysis of sample tanbark for moisture content, phosphorous, crude protein and crude fat; and sample Tuba in terms of pH (acidity), titrable acidity (tartaric acid), crude protein and total soluble solids (Brix).

#### Data Gathering Procedure

The researchers were divided into two groups; Group1 was assigned in Palo, while Group II was Barugo to facilitate simultaneous gathering of data. The interview guide was used in obtaining the needed data, while actual observation and documentation of tan barks preparation, coconut sap collection, handling and delivery to tuba producers was done personally by the researchers.

For tanbarks and coco wine, the samples were taken from tuba producers. The respondents from Palo and Barugo tuba producers, were observed on their practice of providing tanbarks was observed to ensure the quality of tanbarks. For laboratory analysis, the three tuba producers in Barugo submitted their sample tanbarks and coco wine, while one (1) tuba producer in Palo provided a sample of his tan barks and coco wine for analysis due to personal reasons and trade secrecy.

For both municipalities, tan barks and coco wine were coded appropriately and submitted to the Department of Science and Technology (DOST R 8) laboratory. Sample tan barks were analyzed using parameters and methods such as: moisture content (oven drying), phosphorous (VanadoMolybdo Photometric), Crude Protein (Block Digestion/ Steam Distillation) and Crude Fat (Soxhlet). The sample coco wine was analyzed in terms of pH or acidity (Gas Electrode), Phosphorous (Vanado–Molybdo Photometric), Titrable Acidity (Tartaric Acid), Crude Protein (Block Digestion/Steam Distillation), and Soluble Solids or Brix (Refractometer).

#### Instrument

The study used interview guide questionnaire to obtain the necessary data. Likewise, observation and documentation of both tuba gatherer's and tuba producers were done to obtain more information. Both groups of researchers' conducted personal interview, observation and documentation of tuba gatherer respondents on the preparation of tanbarks, gathering of coconut sap or tuba, handling and delivery to tuba producers. The same interview, observation and documentation of tuba producers were done from inspection to-settling, fermentation and aging



of tuba.

Coco wine samples were taken from tuba processor respondents in Palo and Barugo, coded and submitted to the DOST laboratory for analysis.

#### Data Analysis

The practices of tuba gatherers and tuba processors were analyzed descriptively. For the laboratory analysis of tan barks and Coco wine,



the samples were coded accordingly and submitted to the DOST R8 laboratory.

The tanbarks analysis was done through moisture oven drying (moisture content), VanadoMolybdo Photometric (Phosphorous), Block Digestion/Steam Distillation (Crude protein), Soxhlet (Crude Fat). The coco wine was analyzed using Glass Electrode (pH), Vanado-Molybdo Photometric (Titrable Acidity), Block Digestion/ Steam Distillation (Crude protein), and Refractometer (Total Soluble Solids).

# **Results and Discussion**

Profile of Tuba Gatherers "Mananggiti"

Majority of the Tuba gatherers or "*Mananggiti*" are middle aged men, has finished Elementary school, married with an average of five (5) to six (6)



children, and with monthly income of Php 5,000.00 to Php 15,000.00. They indicated that the "*skills gained in Tuba gathering was handed to them by their father and great grandfather*".

Age of Coconut Tree Determination

Both Barugo and Palo Tuba gatherers "*Mananggiti*" reveal that nonhybrid coconut tree usually starts to be productive at the age of ten (10) years. The tree becomes

ready for coconut sap extraction when it starts to flower. The spathe during the collection process is tied up with cord made of coconut leaves and cut to ensure continuous flow of sap which is connected to the bamboo vessel locally known as "*lakob*" so as to avoid spillage. Hybrid coconut trees are ready for sap extraction as early as five years or as soon as it starts flowering.



Tools Used in Preparation of Tanbark "barok" Tuba Gathering

Similarities of tools used in the preparation of tanbarks and gathering of Tuba from coconut tree were observed in Palo and Barugo. The tuba gatherers used wooden chopping board and sharp "*bolo*" in chopping the tanbark finely.

For tuba gathering, "*Bandula*" is made from coconut shell is used as the container for finely chopped tanbarks. It is tied to the waistline of Tuba gatherers when they climb to the coconut tree.

"*Lakob*" is made of bamboo used as container of coconut sap attached to coconut spathe as receptacle for the coconut extract. However, it was observed that two of the gatherers in Barugo used plastic gallons as container for they believed that "*it is more durable and protects against rain*."

"Kawit" is used for collecting the Tuba from the "Lakob" which is attached to the coconut spathe of the coconut tree. There are two types of kawit used- one made out of bamboo (traditional), and another of PVC materials. They prefer to use PVC due to its "durability and shelf life." In the study of Velasco (1982) in Dignos (2005) Tuba gatherers in the Philippines utilized Kawit made of bamboo materials as collecting vessels. In this study, some Tuba gatherers shifted from the traditional bamboo pole materials to PVC pipe due to its durability. "Matabya" is a curved-bolo used for cutting coconut spathe so that there is a continuous flow of coconut extract. This is carried by the Tuba gatherers when they climb the coconut tree to collect the extracts. After extract collection, the "Lakob" is cleaned, attached again to the spathe and cut the spathe using "Matabya".

**Bamboo brush** is used in cleaning the *Lakob* after collecting the coconut extract. This is done to ensure that the next batch of *coconut extract is clean and the taste is good*.

A **strainer** is used in filtering out foreign bodies from the coconut extract. There are two (2) types, one made from "*Gunot*" of the coconut tree (traditional), and the other is fine nylon screen. For Tuba gatherers, "*fine nylon screen are most* 

*preferred for its quality and durability*". The advent of technology seems to be adopted by many groups of people. In this study, some of the tuba gatherers are trying to shift from the traditional tools to the modern ones for the reasons of quality and durability- not necessarily the sanitation and safety aspects of the commodity. Tuba is considered as the popular and favourite alcoholic beverage drink of Samar and Leyte, thus, the collection and processing may have to consider sanitation and safety practices.

Plastic Jugs usually used as container in transporting the freshly collected Tuba to the Tuba processor or "*Alpor*". Traditionally, the tuba producers used "*Dama*" made of wood and clay jar or "*Banga*". Tuba gatherers and producers now use plastic jug because of *non-availability of the wooden "dama"*, while clay jar "dama" can be easily broken which may contribute



to spillage resulting to additional cost for transportation, handling and delivery. Furthermore, majority of the Tuba gatherers had shifted to use the modern tools and containers without considering after effects of these tools to tuba itself.

# Tools Used in the Fermentation and Aging of Tuba

The Tuba processor from Barugo and Palo used almost the same tools for the sedimentation and fermentation and aging stage. These are big plastic pails for determining the color of freshly delivered Tuba, Plastic jug/gallon for sedimentation, fermentation and aging, plastic brush for cleaning the containers, cylindrical plastic drum for quantity aging (Barugo). Only one (1) processor used Glass containers like "*Dama"/gallon* (Palo). When ask why used glass? *One tuba processor said that he used glass because from his 35 years of experienced he noted that it does not affect the taste, odor, aroma and color of tuba. He added further that, most processors could not afford "Dama" container because it is very expensive. He said that he bought his glass "dama" way back in late part of 1970s. He added further that the present cost of his 1000 pieces glass "dama", is about half a million pesos. The high cost perhaps is the very reason why glass "dama" as tuba container for fermentation and aging is vanishing in the Tuba industry in Leyte.* 

# Tanbark "Barok" Preparation

Tanbark is the bark of certain species of mangroove. The finely chopped tanbark is added to the "*lakob*" to enhance the color and perhaps the taste of Tuba. The *Mananggitis* from Barugo and Palo repeated the same procedure in the preparation of *Barok* (as shown in Figure 1).

Respondents from Barugo and Palo adopt the practice of buying tanbark and distributing this to the *Mananggiti* to ensure quality tanbark and eventually the quality Tuba. The quality of tanbarks is one of the determinants of Tuba quality.



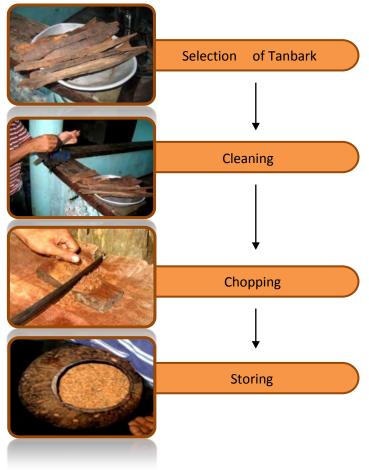


Figure 1. Flow chart on tanbark "barok" preparation

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The preparation of tanbark or "barok" starts from the selection. "*Alpors*" and "*Mananggitis*" believe that the quality of barok could be determined through its dark color. The outer part of the bark is shaved to be shiny and properly dried. Un-dried *barok* is subjected to further sun drying. For them, undried *barok* affects the taste of *Tuba*, it can produce a bitter taste. Cleaning is done using brush to remove some spots that maybe found in the barok. Flaking into small pieces makes chopping easier and faster. Chopping was done with the used of sharp "*bolo*". The finely chopped *barok* is stored in container locally called "*Bandula*" with cover to protect from insects and rodents. It is done in preparation for the next day used.

# Tuba Gathering Techniques Practiced by Tuba Gatherer or "Mananggiti"

Tuba data gathering procedures (Figure 2) starts in the preparation of gathering tools, like: "bandula" filled with finely chopped tanbark, "*kawit*", bamboo brush "*matabya*" and water for cleaning the *lakob*. The gatherers usually do the collection in the morning. Majority of the

respondents indicates that a minimum of thirty (30) coconuts tree are being climbed and collected each time. Extraction from each coconut tree consisted of two (2) to (3) "*lakob*" with a capacity of 4.5 liters each.

The collected Tuba is placed in "*Kawit*" carried at the back of "*Mananggiti*" in going down from the coconut tree, and transferred right away to plastic Jug. Cleaning the "lakob" is necessary for the next extraction of coconut sap. In cleaning a bamboo brush and only water is used.

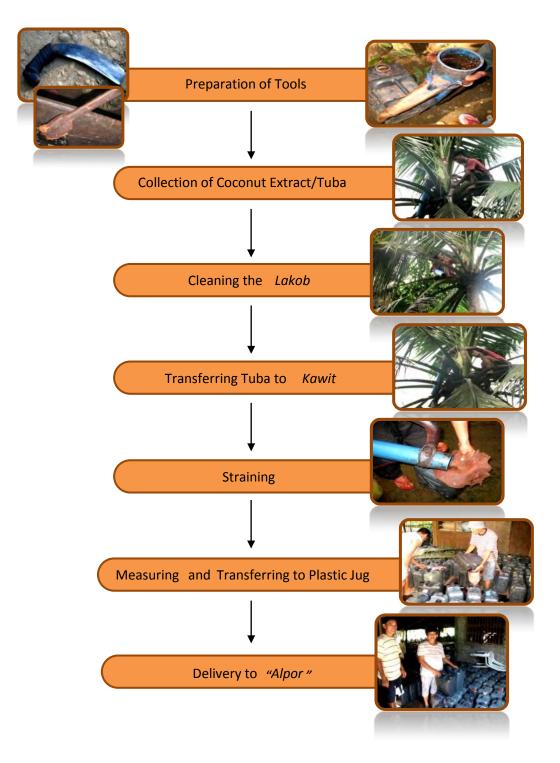


Figure 2. Process flow c hart of "Tuba " Gathering

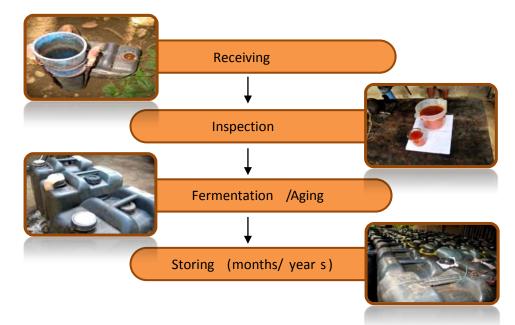
According to *Mananggitis* un-cleaned "*lakob*" can greatly affect the taste of tuba. Respondents revealed further that in cleaning the *lakob*, some residue or "*lagud*" must be left inside the *lakob* to enhance the taste of the next coconut sap. Then approximately, 25 grams of chopped tanbark is added to each *lakob* (*isang dakot*) is being practiced. It was also observed that some gatherers used bamboo *lakob* (traditional), while plastic container is also used as substitute for practicability and durability.

Straining the Tuba from the "Kawit" is done to remove the dirt and insects. The presence of insects in the "*lakob*" is a clear indication that tuba may have components that attracts big flies and bees (because of its sweetness).

Initially, measuring is not observed by the *Manunguetes*. To determine the amount collected, the researcher measured the volume of tuba gathered from each tree. An average of 2-4 "*lakob*" yielded approximately 4.5 liters. The measured Tuba is then transferred to a plastic jug ready for delivery to the "*Alpor*".

# Fermentation and Aging of Coco wine or Tuba (Pagbahalina)

The newly delivered Tuba is received by the tuba processor "*Alpor*" for inspection of color, taste and aroma. After which, it is transferred to clean containers and placed in an area to facilitate the process called sedimentation or "*pagpapasukob*" for about 2-3 days allowing the released of gases present in the tuba. The release of gases is the result of a chemical reaction called fermentation. Figure 2 below shows the process flow of sedimentation and fermentation of Tuba.



**Figure 3.** Process Flow chart of Tu ba fermentation /aging (Pagbahalina)

Settling or sedimentation procedure follows for about 1-2 weeks. Settling is done to allow the residue to settle at the bottom of the container. For the Palo *Alpor*, the transferring of tuba to

another container is necessary to enhance the palatability and quality of tuba. While in Barugo *Alpor*, do not observe the same procedure.

Finally, Storing, continuous fermentation and aging process come next until the desired months or years. During the Storage process, most of the Palo and Barugo *Alpor* use plastic jugs/containers for fermentation and aging. However, one *alpor* in Palo utilizes glass containers or "Dama" for fermentation process. For him, *using the "Dama" improves and enhances the taste and quality of the tuba"*.

In addition, one of the Palo processors or "*Alpors*" practices the addition of sugar during fermentation to speed-up the fermentation process. *He said that addition of flavor enhancer such as raisins and dried ripe langka pulp may enhance the taste and flavors of Tuba, but he preferred not to apply such practice*. On the hand, the Barugo *Alpors, do not practice* the use of flavor enhancer. For them, *natural fermentation and aging techniques/ procedures make their products distinct from other tuba products*. Perhaps, this is why Tuba from Barugo is more popular.

#### Sanitation and Safety Practices

The plastic and glass containers were washed before and after using with soap and water for external cleaning, while for internal cleaning, only water was used by the *Alpors*'.

For *Mananggitis*, cleaning of the tuba gathering tools is usually done with the use of pure water only to maintain its natural Tuba quality. It was observed that personal hygiene is not practiced. The *Mananggitis* usually do the collection without observing the proper hygiene. In like manner, the tuba producers or "*Alpors*" for both from Barugo and Palo also have poor personal hygiene. Likewise, the storage facilities need to be improved. Both tuba *Mananggitis* and *Alpors are interested to learn and apply new standard practices/techniques to improve their process*.

## Analysis of Sample Tanbark (Barok) and Tuba

The results of analysis of tanbarks "*barok*" used by *Mananggitis* are shown in Table 1. The data reveal that the highest moisture content was observed in "*barok*" marked M1 with 16.91 %, while the least moisture content was observed in "*barok*" marked B3B with 14.13%. The data show that there are small differences in the moisture contents of tanbark "*barok*" used by the *Mananggitis*. These differences may be attributed to the drying time and degree of hotness of the sun when the "*barok*" or tanbarks were sun dried. In addition, the moisture contents of "*barok*" were affected by the storage condition of the store.

In terms of phosphorous contents of tanbarks, the highest amount was found in tanbarks marked B2B which is 36.01%, and the least was observed in tanbarks marked M1 which is 31.87%. The phosphorous contents of the tanbarks used by the *Mananggitis* differ due to the difference in variety and species of the tanbarks in addition to the location where they were

grown. Varietal differences affect the quantity of phosphorous in tanbarks since they vary in their absorptive and assimilative characteristics.

Table 1. Analysis of Sample Tanbark (Barok)

The tanbarks also contained crude protein; however, the amounts of crude protein are less. Tanbark marked M1 contained the least amount of protein with only 1.94% tanbark marked B3B contained the highest amount of 2.24%. There are only small differences in the quantities of crude protein present in tanbarks.

	Parameters				
	Moisture	Phosphorous mg/	Crude Protein	Crude Fat (%)	
	Content (%)	100g	(%)		
M1	16.91	31.87	1.94	0.19	
B2B	16.32	36.01	2.23	0.35	
B3B	14.13	35.49	2.24	0.25	
PIP	15.36	32.03	2.13	0.27	

The tanbarks also contained small quantities of crude fats ranging from 0.19% to 0.35%. The data are not surprising since the nature of the mangrove where the barks was taken is not producing essential oil. The crude fats may be due to natural composition of mangrove barks.

Table 2. Analysis of Sample Tuba

	Parameters				
	рН	Titrable Acidity g/100mL (Tartaric Acid)	Crude Protein (%)	Total Soluble Solids (%Brix)	
M1	4.31	0.01	0.33	6	
B2B	4.00	0.005	0.36	5.8	
B3B	4.08	0.006	0.35	5.8	
P1P	4.14	0.009	0.37	6	

The samples of tuba analyzed showed pH values ranging from 4–4.31. This means that all tuba samples analyzed are acidic which is not surprising since production of tuba is through fermentation which eventually produced acids. The fermentation was controlled by the *mananggitis* to prevent total conversion of ethyl alcohol into acids. It can be implied that tuba is slightly acidic and it is one of its characteristics.

The phosphorous content of tuba ranges from 0.005 to 0.01 milligram/mL. This means that *tuba* samples contained less amount of this mineral despite of having a tanbark that is of high

phosphorous content. The phosphorous content of tuba may have been derived from the tanbark added.

In terms of titrable acidity of tuba, it contained more or less the same quantity of tartaric acid, 0.35, 0.36 and 0.37 g/mL respectively except for *tuba* added with tanbark marked M1 which is the least acidic.

The results of the analysis of "Tuba" from different sources are shown in Table 2.

The amount crude protein in tuba samples with tanbark marked B2B (0.36%), B3B (0.35%), and P1P (0.37%) are more or less the same, while that with tanbark marked M1 has 0.33 % which is lesser than the other three. This is in disagreement with tanbark analysis showing M1 with the least crude protein but the tuba added with this kind of tanbark has the highest crude protein. This means that the coconut sap itself has high crude protein content. The findings concur the data from Food and Nutrition Research and Institute (FNRI, 1997) which indicates .2 g of protein. Protein is one of the needed requirements of humans for it helps build and repair cells and tissues (Claudio et.al. 2008). Furthermore, the coconut sap contained crude protein that varies with the variety and the soil type and condition of the location where the coconut was grown.

The tuba samples prepared by *Mananggitis* using different tanbarks contain total soluble solids that are more or less the same. This means that the sugar to water ratio in tuba samples are more likely the same. The sugar to water ratio in tuba samples was derived from the coconut sap. It can be implied that sugar to water ratio can be affected by the environmental conditions since water is absorbed by the roots. It can be implied further that sugar to water ratio must be maintained in order not to affect adversely the taste of *tuba*.

#### Summary and conclusion

The *Mananggitis* utilized sharp bolo "matabya" and wooden chopping board in the preparation of "*barok*". For tuba gathering, the following tools where used: the "lakob" (attached to coconut spathe), "*bandula*" (barok container), *kawit* (container of the collected tuba from "lakob", "*matabya*" (used in cutting the spathe), bamboo brush (for cleaning the lakob), and "*bandula*" (barok container).

Quality grated fine "barok" was added to the "lakob" to add color and taste to the tuba. The prepared tanbark or "barok" is added to the sap through estimates only. Cutting of coconut spathe was done during late afternoon to facilitate more *tuba* produced during night time. There is no standard proportion of chopped barok being added to the coconut sap. Both Mananggitis practiced estimate or "tantyahan lang" system using hands, however when weighed, it was found to be 25 grams.

Tuba gathering was usually done during early in the morning and the tuba collected was delivered immediately to the "*Alpors*". For tuba processing, sedimentation and fermentation were the two common techniques utilized by the "*Alpors*" in Barugo and Palo. However, one *tuba* 

processor in Palo applied only one technique in fermentation – *no changing of container until reaches to the right age set for "bahalina". The longer and seasoned containers will result to good quality aged tuba.* 

There were two kinds of container used: plastic jug and glass (*dama* and gallon). The newly delivered tuba is screened to determine the color and taste. If pale in color, grated "*barok*" was further added. Settling or

"*paghihilagud*" was done twice (at least two weeks interval) before tuba is subjected to further fermentation and aging.

Personal hygiene, sanitation and safety practices for both *Mananggiti (*tanbark preparation, collection) and *Alpor* (fermentation and aging) in Palo and Barugo is seemingly poor and far from good manufacturing practices (GMP).

The tanbark "barok" samples are found to contain moisture, Phosphorous, Crude Protein and Crude Fat. Tuba samples have pH values, Phosphorous, Titrable Acidity (Tartaric Acid), Crude Protein, and Total Soluble Solids (TSS). It is necessary that training on good manufacturing practices (GMP) for both Tuba gatherers and processors be conducted. Further, physico-chemical analysis of fermented *tuba*, and sensory evaluation for aged tuba be done for its quality characteristics and acceptability. A replication of the present study involving more municipalities in Eastern Visayas may provide additional information that can be used in the standardization of Tuba production in the region.

#### Recommendations

The fact that the respondents of this study are very limited; there is a need to expand by including other municipalities that is known for its quality tuba. By doing this, more information on collection and processing methods will be improved, which eventually can be used in the standardization of Tuba production in Region 8.

In as much that personal hygiene, sanitation and safety practices for both *Mananggitis* and *Alpor* respondents seems to be poor, training on good manufacturing practices (GMP) is necessary. This can be done through collaboration efforts between the academe and other government agencies like: Department of Science and Technology (DOST), Department of Trade and Industry (DTI) and the Local Government Units (LGUs) concerned.

# THE LINK BETWEEN EMOTIONAL LABOUR AND ORGANISATION COMMITMENT

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# Abstract

In the hospitality workplace, the frontline employees in customer-contact work teams are placed in the most stressful work environments. Given the demand for top-rated service performance of frontline employees in the competitive market, the success of achieving service excellence hinges upon their abilities to comprehend and manage considerable emotional challenges during service encounters.

Although the extant literature on emotional labour has primarily highlighted its detrimental consequences, a substantial number of recent studies report that exerting emotional labour is often related to positive work outcomes. Although researchers agree that emotional labour has a mixed effect (both positive and negative), only a few studies have scrutinised the positive aspects of emotional labour. Positive emotions may be generated when employee makes a conscious effort to control their actual emotions and instead display the emotions that meet the expectations of both the customer and the organisation. Such effort can send positive signals indicating how much the employees are prepared to commit themselves to the organisation.

Based on broaden-and-build theory, this study investigates the positive association of emotional labour with organisational commitment, which is a prominent employee outcome that indicates the level of an employee's devotion to the organisation. This study further examines Leader-Member Exchange (LMX) as a moderator between emotional labour and organisational commitment based on a social interaction model of emotion regulation and social exchange theory.

The study adopted a quantitative survey research method to measure study variables and examine the relationships between them. The final sample contained 248 frontline food and beverage employees in seven different hotels in Seoul, South Korea, and a series of hierarchical regression analyses were used to test research hypotheses.

The key findings of this study are as follows. First, both emotional effort and emotional dissonance had a significant impact on the organisational commitment of employees. Second, LMX

moderated the relationship of the subordinates' emotional dissonance, which is a dimension of emotional labour with organisational commitment, whereas the relationship of emotional effort, the other dimension of emotional labour with organisational commitment, was not moderated by LMX.

This study is among the first attempts to empirically examine the relationship between emotional labour and organisational commitment, where LMX is thought to act as a moderator in the hotel context. The implications of the findings are discussed for both researchers and practitioners.

*Key Words: emotional labour, organizational commitment, leader-member exchange, hospitality workers.* 

# IS SOUTH AFRICA READY FOR A LEGAL NUDE BEACH AT RAY NKONYENI MUNICIPALITY? A CRITIQUE AND A LITERATURE REVIEW

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# Abstract

The tourism industry has grown in leaps and bounds in South Africa, since the first democratic elections in 1994. The tourism industry has shown sustained growth, that it is regarded as a panacea for the plethora of challenges facing many countries. The majority of tourists come from Western countries, whilst African destination are longhaul, requiring travel by air. Western tourists remain the major market for developing countries such as South Africa, which seek to increase their share of the global market. Tourism is disproportionally important for African economies, whilst Africa receive less than 10% of international tourism receipts. Tourism is attracted because of labour-intensive jobs, its ability to diversify the economy of a country and its ability to have an impact on the greater economy of a country. African countries are focusing on tourism to diversify into the services sector of the economy, and tourism acts as a domestically consumed export. The sustained growth of tourism is attractive, as tourism is the world, largest industry, which has the benefit that the value adding can occur at the destination area.

The emergence of tourism after 1994 as an economic sector has witnessed the emergence of forms of special interest tourism. Sports tourism was the first type of special interest tourism to gain prominence, with the hosting of the Rugby World Cup, and the 2010 FIFA World Cup. Medical tourism, regional tourism, adventure tourism, religious tourism, and hedonistic tourism have grown since 1994. The growth of special interest tourism, has seen the emergence of new markets and sub-cultures, at a rate faster than political gaze falls upon them for understanding. This has led to conflict between regulators, and the increasing specialization of tourists markets. Naturalism is experiencing a growth trajectory and people that are not traditional naturalisms, are increasingly consuming naturalist and nudist destinations. In the case of South Africa, there are no legalized nude zones under government control, as the majority are in private hands. The Hibiscus nude beach presents a case study of an ''illegal' nude beach that sought to be legally recognized. It presents an interface between special interest tourism, stakeholders at the destination area, and the several levels of the state. It presents the frictions between tourism development and the citizens at the destination area and places state governance as an actor in the development process.

Keywords: naturalism, nudism, public protector, natourism, South Africa, Mpenjati, Ray Nkonyeni

# Introduction

Tourism is the world's largest industry, and has attracted the attention of politicians and business because of its sustained growth. Tourists travel to the destination country, to spend their hard earned money, benefiting the local economy, hence tourism is increasingly preferred by destination countries. Almost all countries have jumped on the tourism bandwagon. The increase in global wealth, and the emergence of fast growing countries, has increased the critical mass of people willing to consume tourism. "Tourism is in many ways a new type of industrial revolution for many countries with the main difference being that it is a smokeless industry that has provided service sector employment, revenue and impacts" Page & Dowling (2002: 10). The global competition for creating jobs and economic growth, has also ensured that countries improve their competitiveness in the provision of tourism services. The growth of tourism is associated with the growth in jobs, because of the labour intensive nature of tourism. "Many countries consider tourism as a means to increase income, generate foreign currency, create employment and increase revenue from taxes. With the benefit that tourism offers to a country, it is not surprising that developing countries are viewing tourism as a means of alleviating poverty" Botha (2012:2).

"Tourism product consumption is a process; guests travel to the destination which is in a fixed location. This is one of the characteristics of the tourism product offering, leading to tourism product offerings that are treated as export because they are consumed at the destination area due to the inseparable nature of tourism products and services" Henama & Sifolo (2013: 2). "International tourism is an invisible export in that it creates a flow of foreign currency into the economy of a destination country thereby contributing directly to the current account of the balance of payments. Like other export industries, this inflow of revenue creates business turnover, household income, employment and government revenue" Archer & Cooper (2001: 65). When the tourists are at the destination area, they increase the tax coffers of the state, as state may apply several types of taxes, associated with tourism consumption. Countries with fragile economies, which depend on primary agricultural products, can use tourism to diversify their economies. This has been the experience in many small island economies, from Cuba to Mauritius.

"Tourism destinations attract tourism because of the positive economic impacts such as labour intensive jobs, tourism acting a catalyst for other industries, the attraction of foreign exchange and foreign direct investment that comes with tourism. As mining is cutting jobs, tourism has the potential to save those jobs due to the labour intensive nature of tourism jobs. This means that the growth of tourism ideally leads to a growth of jobs. Today, South Africa attracts more foreign exchange from tourism than gold mining, hence tourism is regarded as the 'new gold' '' Henama, Acha-Anyi & Sifolo (2016: 1). ''Tourism has been an economic messiah for South Africa, as perennial job losses has resulted in the increase of poverty associated with unemployment'' Henama (2017:6). The structural problems in the South Africa economy, such as a high rate of unemployment, the worst inequality, and a growth traps that limits economic growth, continue to persist. Tourism has emerged as consistent producer of good news such as being a contributor to economic growth and jobs. In the year 2016, the international tourism arrivals to South Africa increased by 13% year-on-year, which was in stark contrast to the 1% economic growth that South

Africa's economy is struggling to achieve. "An understanding of economic determinants associated with tourist consumption behaviour is of paramount significance for a host country, as economic benefits from tourism flow from tourists' spending" Divisekera (2010: 629).

Without the robust growth experienced by tourism, the economic reality of South Africa would be abysmal, for a country that experiences an upward trajectory in unemployment (27.7%). South Africa which has a high rate of unemployment, is surprisingly, a country that has a low rate of entrepreneurship activity. Tourism, which is primary private sector led, has certain sectors that have low barriers of entry that make it an attractive sector for entrepreneurship. Entrepreneurship is imperative because the majority of new jobs are created by small firms, which becomes the new driver of economic growth. Archer & Cooper (2001) noted that tourism seems to be more effective than other industries in generating employment and income in the less developed often outlying regions of a country where alternative opportunities for development are limited. "Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sector of industry. This is known as the multiplier effects" Rusu (2011: 70). Tourism does lead to entrepreneurial activity as opportunity entrepreneurs seek to cater for the 'new needs' that tourists may have, not catered by local businesses. In addition, existing businesses would also benefit from increased traffic such as shopping malls, retail outlets, and food and beverage businesses.

"It is generally believed that tourism will develop backward linkages in an economy resulting in the creation of cost savings called external economies. This happens, for example, when an improvement to local services like transport or electricity is due to tourism but additionally provides a benefit to everyone in the area" Lea (1988: 48). According to Tauoatsoala, Henama & Monyane (2015) the tourism industry is promoted by government because it creates opportunities for small, medium and micro enterprises (SMMEs). "Tourism is a fragmented industry, which means the purchase of one includes the purchase of products from several establishments. This associated with the fact that the majority of tourism enterprises are small, medium and micro enterprises, means that the tourism industry can benefit the local economy much deeper" Henama (2017:6). Strydom, Mangope & Henama (2017) noted that the majority of small firms in tourism, continue to create a plethora of job opportunities for thousands of South Africans. According to Henama (2012) before the first democratic election in South Africa in the year 1994, the tourism industry was not a major economic activity and contributor to GDP. South Africa was once again open for business and international tourism grew to explore this new destination as noted by Henama (2017).

"The tourism industry has been identified as a key growth sector because of its contribution to the South African Gross Domestic Product (GDP)...The tourism industry has been viewed as a historical driver of economic development in the context of South Africa as a developing country" Apleni, Mxunyelwa & Vallabh (2017:1). "South Africa is the first African country to have hosted a mega sporting event, the 2010 FIFA World Cup and the tournament increased the exposure and prestige of not just the continent but specifically South

Africa'' Henama(2013: 60). The hosting of a successful 2010 FIFA World Cup improved the global image of South Africa, as a site for investment and tourism consumption. The 2010 FIFA World Cup more than any other mega event represented international place marketing. A positive image is imperative for a country that seeks to attract tourists, as perception is very imperative in the tourism industry. For example, the terrorist attacks of 11 September 2001, in the United States, was of benefit to the image of South Africa as there was a new global standard on perception about personal safety and security. The tourism industry is a highly fragmented industry, which means the purchase of a tourism industry, is associated with the purchase and the consumption of a variety of products and services produced by a plethora of providers.

This means that the tourism value chain, includes a variety of players, which means that the tourism value chain can have a greater financial impacts, than other economic sectors. "The travel and tourism industry-which includes transport, accommodation, catering and recreation-is part of a broader travel and tourism economy, which includes businesses that supply the industry" Wayne (2009: 1). "Tourism is distinct from other sector, in that, it is cross-cutting sector and it involves a big diversity of services and professions, which is linked to many other economic activities and policy areas. It is made up of five different sectors; these are: accommodation, food and beverage services, recreation and entertainment, transportation and travel services" Akinboade & Braimoh (2010: 149). "Tourism is a coordination-intensive industry in which different products/services (transportation, accommodation and so on) are bundled together to form a final tourism product" Zhang, Song & Huang (2009: 347). Tourism and leisure consumption has been integrated into the habits of the middle classes. The institutionalisation of the habit of holidays, has meant that leisure consumption has increased throughout the world. The location of holidaying within the dominant consumer culture, has meant that consuming leisure products is regarded as the 'in-thing to do''.

"Another advantage is that tourism is a product that has potential to be consumed over the lifetime of an individual as new destinations are visited and old ones are revisited. The institutionalisation of the vacation as a normal part of society as people move up the social strata is imperative as it has increased the number of tourist as many countries have experienced rapid economic growth, wealth and associated normal middle class consumption that includes tourism" Henama (2014: 2). "Today, the desire to travel and to be a tourist is practically universal, and tourist's practices pervade many areas of social life" Wood (2005):1.According to Henama & Sifolo (2017) tourism has a responsibility to improve the standard of living of locals and their Quality-of-Life. This depends upon the tourism industry being developed to achieve pro-poor objectives, which ensure that the locals benefit disproportionally from the tourism industry. This is associated with reducing the leakage from the tourism expenditure, and retaining the majority of the expenditure from tourists within the tourism economy. Tourism-led local economic development (LED) has been adopted as a means of diversifying economies that are increasingly depressed by mechanisation and job losses.

#### **Research Methodology**

The research methodology used is a literature review, and meta-analysis. According to Cronin, Ryan & Coughlan (2008) meta-analysis is the process of taking a large body of quantitative findings and conducting statistical analysis in order to integrate those findings and enhance understanding. "The literature review in this paper was of an exploratory nature due to the limited body of knowledge on the subject with regards to South Africa. The objective of this review was therefore to summarise and critically analyse relevant research and non- research literature on the topic under discussion" Viljoen & Henama (2017:2). "Secondary analysis is an empirical exercise that applies the same basic research principles as studies utilizing primary data and has steps to be followed just as any research method" Johnston (2014: 619). "Conducting a literature review is a means of demonstrating an author's knowledge about a particular field of study, including vocabulary, theories, key variables and phenomena, and its methods and history" Randolph (2009: 2).

# Special Interest Tourism

"Tourism is the practice of travelling for pleasure, education or business. Tourism is also about tourist's personality, attitudes, values and lifestyles. It incorporates new experience, meeting people, places, traditions, cultures. This is closely linked to psychology, which actually examines motivation for travelling, individual needs and satisfaction" Simkova & Holzner (2014: 660). The international tourism market is increasingly changing, as customer diversity and heterogeneity are increasingly prevalent. Tourism which is a reflection of a dominant consumer culture, which today is dominated by millennials, who will dominate tourism consumption for the next 5 to 10 years. Weiler & Hall (1992) noted that special interest travel (SIT) is travel for people who are going somewhere because they have a particular interest that can be pursued in a particular religion or at a particular destination. Cooper & Hall (2013) noted that SIT is distinguished as the travellers motivation is determined by a particular special interests (the demand or consumption characteristics).

According to Henama (2014) SIT has been closely associated with the growth of a form of 'new tourism'. Henama & Sifolo (2015) the desire to attract more tourists has been shaped by the emergence of special interest tourists. Boniface & Cooper (2009) noted the characteristics and behaviours of the new tourist are the following:

- Are critical and discerning-they have travelled frequently and know what they want.
- Have considerable consumer and technology skills, for example in manipulating their trip to take advantage of last-minute bargains.
- Are motivated by wanderlust-they travel out of curiosity and cultural reasons rather than for sunlust.
- Have values which encourage the ethical consumption of tourism and they will choose destinations and companies on this basis.

"It has been observed that South Africa's travel and tourism industry is highly concentrated and dominated by a small group of large, mostly owned, tourism organisations" Rogerson (2005: 628). Special interest tourism has changed this reality, as small businesses with specialist knowledge dominate the special interest tourism market.

#### Naturalism as an Attraction

"Attractions includes places of interest that exhibit natural or cultural value, has historical significance, offers natural or build beauty, or create leisure, adventure or amusement experiences" Henama, Jansen van Rensburg & Nicolaides (2016: 2). According to Cook, Yale & Marqua (2006) attractions are natural locations, objects or constructed facilities that have a special appeal to both tourist and local visitors. Swartbrooke (1998) acknowledged that there are four main types of attractions:

- Features within the natural environment,
- Man-made buildings, structures and sites that were designed for a purpose other than attracting visitors such as religious worship, but which now attracts substantial numbers of visitors who use them as leisure amenities,
- Man-made buildings, structures and sites that are designed to attract visitors and are purpose build to accommodate their needs, such as theme parks. □ Special events.

The existence of nude resorts and nude destinations acts an attraction for nude tourists. "Within the tourism and environmental science literature, it is recognised that tourism activities are dependent upon the concept of attractivity: without this element in a given context, it is unlikely that tourists visitations will occur" Page & Dowling (2002: 10). Naturalism is therefore a tourism product that attracts customers to a locality, and the core benefit is to live and exhibit characteristics associated with naturalism." Despite the extensive research on various forms of travelers' motivation, research on nudists' motivation is limited. A notable exception includes studies that explore the motivations of users of nudist camps" Andriotis (2016: 239).

## Naturalism in the World

Naturalism is more than just taking the clothes, naturalism is associated with living in respect and in harmony with nature. 'Naturalism (or nudism) is a multi-faceted concept that varies both geographically and overtime; the primary element of naturalism or nudist subculture is going without clothes'' West (2017: 2). Andriotis (2016) noted that naturalism is a lifestyle with ideological and philosophical roots. And a place regarded as a site for naturalism consumption, will acquire ideological and philosophical association. 'Places are thus socially and culturally determined and many have various meanings that will shape, and be determined by, the behaviour adopted by individuals. A place is thus a space with social practices and meanings'' Monterrubio (2013: 149). Naturalism is a form of tourism motivation and influencer of tourism consumption that has receives a paucity of academic gaze. According to Andriotis (2016) natourism is a form of tourism that evolved from the need and desire of tourists for a special kind of nude recreation, and is defined with the main motive to participate in nude activities in conjunction with other ancillary types of motives such as sightseeing, socialisation, experiencing culture, nature and so forth.

# Naturalism in South Africa

South Africans consume nudity, in naturalist zones, the vast majority of them are beaches. Naturalist places that are in private hands, also exist. Almost exclusively all the beaches where naturalism is practiced, are illegal because the municipal by-laws have not been amended to allow for nudity. Sowetan (2014) noted that the top five naturist hotspots in South Africa are the following:

- Sun Eden Naturist Resort (north of Pretoria)-this is the premier naturist resort in SA and has been going for about 15 years.
- Schoonlkoof Game Ranch (80km NW of Sun City)-situated on about 4500 Ha this is a bush getaway of note.
- Sandy Bay-historically one of the busier and more popular.
- Umhlanga Lagoon beach-another popular venue on the East coast.
- Riverbend Cottages-secluded in the Magaliesberg range and on the banks of a river this is a really beautiful venue.

# Ray Nkonyeni Municipality and Mpenjati Beach

According to Ray Nkonyeni Municipality (2017: 1-2) ''Ray Nkonyeni is a newly established Local Municipality which emerged as a result of the merger between the former Hibiscus Coast and Ezinqoleni Local Municipalities. It is a category B municipality and falls within Ugu District Municipality. It is commonly referred to as South Coast given its geographical location in relation to the southern coastal part of KwaZulu-Natal. The municipality has its administrative seat in Port Shepstone and Ezingolweni Town. It stretches along the coastal strip from Hibberdene to Port Edward covering 67km and about 60km into the interior primarily via N2 to Eastern Cape. The Indian Ocean borders the Eastern part of the municipality, while on the Southern part runs Umtamvuna River which is the boundary between KZN and the Eastern Cape. Ray Nkonyeni (particularly Port Shepstone) is a regional service centre that also provide services to the northern Eastern Cape. The strategic location of Ray Nkonyeni Municipal area in relation to the province of Eastern Cape implies that there may be trading activities that take place between these two areas.

According to Ugu District Municipality (2014) unemployment in the district remains high with almost 30% of the working age population being unemployed and data shows that 14% of Ugu's households have no income. The Hibiscus Coast Municipality has been renamed the Ray Nkonyeni Municipality and it is located around the coastal city of Port Shepstone. The 500m Hibiscus Beach that was declared a nude beach is between Trafalgar and Palm Beach on the South Coast according to Mkhize (2014a). Mpenjati Beach is (Mkhize, 2014b) the Mpenjani Beach is a

secluded area between Margate and Port Edward, is close to Mpenjati Nature Reserve, between Trafalgar and Palm beaches''. The Mpenjati Nature Reserve is situated on the KwaZulu Natal South Coast 20 km south of the popular holiday destination of Margate. A 250 metre stretch of beach that falls under the Mpenjati Nature Reserve at Trafalgar on the south coast, was given nude-beach status by the local municipality in late 2014, officially opening the following Easter. Mpenjati beach is a small strip of the Trafalgar beach roughly 140 kms south of Durban on the Hibiscus Coast.

This is KwaZulu-Natal's first nudist beach and the only official nudist beach in the country (The likes of Sandy Bay are unofficial nude beaches). The opening of the beach did not come without complications. Months of applications, appeals and public backlashes were the result of the municipality's decision, resulting in a near crisis as a Concerned Citizens Group argued against the go-ahead. There are certain rules that accompany the beach's status as a nudist beach. These include: the prohibition of photographs, unless everyone in the picture agrees to its being taken; no staring at anyone; no suggestive behaviour (one news article put it this way: "swaying of hips is allowed, but pole dancing wouldn't be, if you get our point."; you must always take a towel with you to the beach (probably in order to cover any unpredictable 'reactions', which are also not allowed); and rude comments, offensive language, racism, sexism, and homophobia are forbidden' SA Venues (2017:1). The rules that must be observed at a nudist beach are the following:

- No photographs may be taken unless everyone in the picture agrees to it being taken and gets to see it afterwards. □ Staring is not allowed, because "it's rude whether you have clothes on or not".
- 'No sexual behaviour of any kind''. This includes dancing in a provocative manner, sitting on someone inappropriately, swapping saliva or inappropriate touching.
- Always take a towel and make sure you sit on it when on other people's furniture.
- "Unpredicable erections" must be covered up.
- Rude comments such as obscene or offensive language, racism, sexism, homophobia or sexual or erotic material are forbidden.

In October 2014, the Hibiscus Coast Municipality announced that they had approved an application to have Mpenjati Beach, near Margate, as a nudist friendly beach according to Mkhize (2014a). The application had been submitted by the KwaZulu-Natal Naturalist Association and this was approved by the Hibiscus Municipality, as their research and representation made by the KZN Naturalist Association had won them on the idea that the economic spin-offs far outweighed the negative impacts, as this would attract local and international tourists to the municipality. This was imperative for the economically deprived areas, as a means of using tourism-led local economic development.

Table 1: Timeline of activities to Mpenjati nude beach

2014 Mpenjati nude beach approved by the Hibiscus Coast Municipality

2015	16 September, a complaint is lodged by Reverend M Effanga on behalf of the
	Concerned Citizens of the Hibiscus Coast Municipality to the Public Protector
2016	The nude beach status was halted, awaiting a decision by the Public Protector.
2016	05 September 2016, the date by which the all stakeholders to make submissions to
	the Public
	Protector
2017	The Public Protector rules against the proposed South Coast nudist beach

Sources: Several sources in References

#### Opposition to the nude beach

According to ANN7 (2016) for almost two years nudists roamed freely around Mpenjati, until the Public Protector indicated that there had been insufficient consultation and the municipality had contravened its by-laws. Mngoma (2017) noted that a Concerned Citizens Group led by Reverend Mike Effanga was been the main opposition to the nude beach. ANN7 (2016) noted that the Concerned Citizens was made up of businesses, residents and faithbased organisations, who believed the decision to approve the nude beach as being flawed. What is without doubt, is the fact that the beach has been an unofficial haven for nudists bathers for the past 30 years. The municipality by approving the nudist beach, was responding to a proven tourism market segment that frequents the beach. According to Pretorius (2017) the council relaxed the specific bylaws and approved the request from the KwaZuluNatal Naturist Association for the establishment of the nudist friendly beach before making its own application to the Department of Environmental Affairs and KwaZulu-Natal Ezemvelo, as required by law. Pretorius (2017) noted that a municipal by-law is amended and adopted through a formal process in terms of the Local Government Systems Act. Furthermore, the municipality had ignored the public consultation process, which in the majority had disagreed with the prospect of the nude beach.

According to Davis (2016) the Mpenjati nude beach is located on the Trafalgar Marine Protected Area, designed to protect the marine environment and to educate the marine about marine environmental issues, and turning the area into a nude beach would be counter-productive to educational programmes for children. The South African Natural Naturists Association would apply again to get the beach declared a nude beach and this would ensure that the municipality follows the correct procedure. The Office of the Public Protector (PP) ruled against the proposed nudist beach on the South Coast according to Mngoma (2017). 'The Public Protector says RNM, when still known as the Hibiscus Coast Municipality, acted improperly when handling the application to establish the beach. The municipality did not follow proper procedures and prescripts, therefore the beach is illegal. It suggested specific remedial action which should be taken within 30 days if the municipality should want to pursue the matter'' Pretorius (2017:1). The Public Protector is a Chapter Nine Institution, recognised by the Constitution of South Africa, to support democracy. The judgements of the Public Protector are binding and can only be altered by judicial review. A re-application must be submitted by the nudist association, whilst taking the PP judgement for review, may be costly. Taking the PP judgement for judicial review can be

possibly premised on Chapter 2 of the Bill of Right, Section 14 (The right to privacy) and Section 16 (Freedom of expression).

# Conclusion

Nudists resorts and beaches must be operated in such a way that they do not disturb the community, that will be the host at the destination. For example, Turkey, which is a Muslim country, experienced its only nude resort that catered almost exclusively for foreigners according to Dubai (2010) which was closed six days after it had been opened in 2010. The majority of international tourists are Westerners and tourism is a major economic sector in Turkey. According to Becker (2015) noted that several tourists were deported from Cambodia for posting nudes taken in the temples at Angkor. Such unfortunate incidents, have led to the growth of an international movement against tourists at destination areas. This is aggravated by the abysmal behaviour and conduct of tourist at the destination area, disregarding local rules and norms. The global rush to jump on the tourism bandwagon, has seen destinations trying to gain a competitive advantage in the tourism industry by differentiating their product offering. According to Zhang, Song & Huang (2009) the highly competitive environment of the tourism industry has forced tourism firms to look for ways to enhance their competitive advantage. Africa has not taped into the naturalism tourism market, which is showing growth as a niche market. South Africa on the African continent therefore dominates with the sheer number of naturalist resorts and products, the majority of them, are privately owned.

Local government in South Africa in prescribed by law to be developmental, in line with the neoliberal policy posture that was adopted by democratic South Africa. "Key features of LED are that it usually seeks to encourage economic growth in an areas and to diversify the local economic base into sectors other than those in which recent hardship has been experienced...One sector that has performed particularly well in this context is tourism" Nel & Binns (2002: 185). According to Manuela Jr. & De Vera (2015) the tourism industry requires diligent and deliberate public policy as well as an implementation strategy for realising sustainable economic benefits to a country. The municipal officials at RNM must be commended for leadership in thinking outside the box in trying to achieve tourism-led LED. The Ray Nkonyeni Municipality by approving the nude beach, had sought to initiate create an enabling environment for tourism to flourish. This was based on a clear understanding that nudity has been practiced in the area for over 30 years, and by approving the nude beach, the municipality sought to designate the area, for nudity under legal prescripts. Public support in tourism development is very imperative, because the citizens at the destination area, must become the major beneficiaries of the existence of tourists.

The focus must not be exclusively on the economic benefits, but this includes a gaze on the social and environmental impacts of tourism. 'Gaining promising community support for the tourism industry involves an examination of how local residents' attitudes are formed towards tourism'' Ozturk, Ozer & Caliskan (2015: 233). The presence of tourists at the destination area must improve the Quality-of-Life of residents and benefit residents.

"QOL refers to one' satisfaction with life, and feelings of contentment or fulfilment with one's experience in the world. It is how people view or what they feel about, their lives...The tourism industry can and often does, facilitate and contribute to the QOL amenities that help the communities to attain desirable living environments" Andereck et al. (2007:484). The nude beach approval and the involvement of the Office of the Public Protector had captured the national discourse in South Africa. In other words, the publicity that was gained should be used by the Ray Nkonyeni Municipality, as a means of attracting more tourist arrivals to the area. According to Nel & Binns (2002) place marketing involves actively publicizing a town a town's assets, both imagined and real. The reality is that nudists will continue their pilgrimage to Mpenjati Beach, and the local government will continue to turn a blind eye to the nudist transgression, because the nudist cash injection is addressing pressing social challenges such as unemployment which contributes towards poverty. Other socially "undesirable activities" such as gaming and gambling have been approved and are confined to designated gaming areas, contributing towards the national GDP. In the absence of legalisation, illegal gambling would have flourished. Naturalism shall continue to flourish in privately owned nude zones, and at illegal beaches, and this presents government with the challenge of regulation in the face of social disobedience.

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# SERVICE INNOVATION CULTURE AND NEW SERVICE DEVELOPMENT IN THE HOTELS OF NORTH CYPRUS

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## Introduction

Service organizations are continuously challenged by unstable environmental factors that force these organizations to set innovation at the center of their competitive strategy. Hospitality organizations, as one of the various service sectors, need to convert changes into opportunities and take advantage of innovation, as a primary driver of economic growth in national and organizational levels. Accordingly, an organizational culture can be considered as an important factor to retain service innovation.

Additionally, service innovation helps organizations to differentiate themselves from their competitors, and this is done by innovative human resources, who continuously search for novel ideas. More specifically, in the hospitality organizations, employees play a key role in the service innovation process (Åkesson, Skålén, Edvardsson, & Stålhammar, 2016). However, innovation is a risky process, and most of the employees are afraid of change that might result in innovative services (Hon & Lui, 2016). Thus, service organizations need to "embrace, execute and promote" their employees in order to succeed in their service innovations (Cadwallader, Jarvis, Bitner, & Ostrom, 2010).

Hence, the current study aims to evaluate the relationship between service innovation culture and new service development in hotels of North Cyprus. Having a supportive service innovation culture can help service organizations in being more successful in responding to their environments and in developing novel capabilities which result in greater achievements. The present research also examines the mediating role of knowledge sharing in the aforementioned relationship. The fact that knowledge plays a vital role in the enterprise's success has been confirmed by scholars. Specifically, enhancing the employees' knowledge can result in improvements in the quality of service offered by hospitality sector.

## **Literature Review**

The important role of employees in the innovation process of service organizations have been highlighted by different scholars. Therefore, having a service innovation culture that encourages the employees to participate in the innovative processes is considered an important factor for the service organization. In other words, steady, logical and extensive norms which promote creative thinking and speedy implementation in service organizations (Lyons, Chatman, & Joyce, 2007) is considered crucial in reaching innovative outcomes. Moreover, the competitive advantage of organizations is gained through the integrated knowledge, expertise and skills of employees, as well as taking advantage of the most effective managerial practices in daily operations (Hu, Horng, & Sun, 2009). Consequently, it is important to focus on the knowledge sharing of employees, specifically in the service organizations. Knowledge sharing is described as the actions in which the relevant information is spread by employees to others across the organization (Bartol & Srivastava, 2002).

The current study proposes that there is a positive relationship between service innovation culture and knowledge sharing of hotel employees. Scholars have considered the importance of organizational culture in spreading knowledge in the organization and suggested that, service organizations need to take steps to cultivate an organizational culture in which knowledge sharing and acquisition are clearly encapsulated into each job (Yang & Wan, 2004). Despite the importance of knowledge sharing in the service innovation literature, the studies that have concentrated on this issue in the hospitality industry are gradually increasing (Hoarau & Kline, 2014; Lin, 2007; Yang, 2010). Hence, based on the person-job fit theory that is used in this research, the current study proposes that:

# H1. Service innovation culture is positively related to the knowledge sharing of hotel employees.

In the second hypothesis proposed in this study, the relationship between service innovation culture and new service development of hotel employees is evaluated. Designing and implementing an organizational culture that embodies service innovation is a vital factor for the service organizations. Employees can creatively apply their knowledge to service procedure and customer needs, if there is an innovation supportive culture in the organization. Accordingly, employees can help in achieving innovation in new service development.

Some scholars have pointed out the role that organizational culture plays in relation to new product development (Shaner, Beeler, & Noble, 2016). Furthermore, the main difference between the new product development and new service development have resulted in a need for more research on this issue in the service organizations. In a study by Tajeddini (2011), he highlighted the significance of organizational culture in new service development and highlighted the need for additional research that examines this relationship. Therefore, this study proposes that: *H2.* Service innovation culture is positively related to the new service development of hotel employees.

In the next hypothesis, a positive and significant relationship is proposed between knowledge sharing and new service development. Previously scholars have concentrated on the relationship

of knowledge sharing and new product development. As an example, Hong and his colleagues concentrated on the relationship between knowledge sharing and new product development and pointed out that there is a significant positive relationship (Hong, Doll, Nahm, & Li, 2004). In addition, Lin (2007) in his study on large organizations in Taiwan, asserted that an organizational environment in which knowledge sharing is encouraged, is likely to generate new ideas and develop new products (Lin, 2007). Recently, by increasing the importance of service industry in the economy of different countries, more researchers started to consider the role of knowledge sharing in facilitating new service development (Hu et al., 2009; Kim & Lee, 2013). Therefore it has been hypothesized that:

H3. Knowledge sharing is positively related to the new service development of hotel employees.

Knowledge sharing takes place when an employee is willing to learn and help other employees in developing new capabilities (Bock & Kim, 2002). Consequently, knowledge sharing is the process in which employees commonly exchange their knowledge and equally create new knowledge (Van Den Hooff & De Ridder, 2004). Therefore, having a service innovation culture in the organization that will enhance new service development is proposed to be mediated by knowledge sharing.

There are some studies that have concentrated in the mediating role of knowledge sharing and have found different results. As an example, in the study of Kuo, Kuo, and Ho (2014), they concentrated on the mediating role of knowledge sharing in the relationship among job satisfaction and workplace friendship with service innovation. In another study by Nazir, Shah, and Zaman (2014), the mediating role of knowledge sharing was evaluated between the participative decision making and transformational leadership with organizational performance. Despite the number of studies that focused on the mediating role of knowledge sharing between organizational culture with new service development. Except the study of Hu and his colleagues, who emphasized on the relationship between team culture of hospitality organizations and innovation performance and indicated that knowledge sharing played a mediating role in the relationship (Hu et al., 2009). Accordingly, it is proposed that:

*H4.* Knowledge sharing partially mediates the relation between service innovation culture and new service development of hotel employees.

# Conceptual Model

The proposed model in the current study concentrates on the relationship between service innovation culture (comprising vision, participation safety, support for innovation, task orientation and interaction frequency) and new service development. Moreover, knowledge sharing is proposed to play a partially mediating role in the relation between service innovation culture and new service development. Moreover, the proposed hypotheses in this study are strengthened by

person-job fit theory, which refers to the compatibility of the demand of the job and the skills, knowledge and abilities of the individuals (Su, Murdock, & Rounds, 2015).

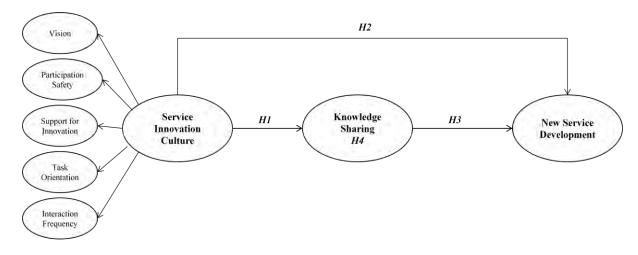


Figure 1. Proposed Model

## Methodology

## Data Collection Procedure

The sample of this research is the employees of three, four and five star hotels in North Cyprus. The main focus of this study was the employees who were not in direct contact with the customers. Therefore sales and marketing, room service, accounting, human resources, and customer services have been considered in this study. Based on the information obtained from the Ministry of Tourism, Culture and Environment of North Cyprus, total number of 31, three, four and five star hotels were operating in the time of the study – early 2015. From which 17 were five-star hotels and 4 were four-star hotels and 10 three-star hotels.

All the hotels that made the population of this research were contacted through a letter that contained purpose of this study, and the human resource managers of twenty-nine hotel showed their willingness to participate in this research. The methodology utilized in this study was survey; in this respect, self-administered questionnaires were prepared. The self-administered questionnaires contained measurement items, importance of the study and the confidentiality issues. The data collection process followed two time lags, in order to reduce the risk of common method bias, which is considered a severe problem, that might inflate or deflate the evaluation of findings in the study (Podsakoff, MacKenzie, & Podsakoff, 2012). Accordingly two questionnaires were prepared in order to be given in one month time. TimeI questionnaire contained items related to service innovation culture, and knowledge sharing, plus items related to respondent's profile. The items related to new service development were positioned in TimeII questionnaire.

In total, 200 questionnaires were distributed to hotel employees in the first time lag (TimeI). From which, onehundred and forty nine were returned, yielding a response rate of 74.5%. In the second time lag, 149 TimeII questionnaires were distributed to the same respondents, and a total of 125 valid questionnaires were collected, with the response rate of 83.9% of second sample and 62.5% of the total questionnaires.

## Measurements

Fifty-seven items were used to measure the constructs in the hypothesized model, which were all adopted from the previous literature. A seven-point type scale was utilized for most of the items, which ranged from strongly agree to strongly disagree. Moreover, back-to-back translation method was used to translate the measurement items, from English to Turkish (Parameswaran & Yaprak, 1987). The translated items were also pre-tested by ten hotel employees, and the results showed no need for any change in the questionnaire items.

Thirty-eight items were adopted from the study of Anderson and West (1998) to measure service innovation culture; vision 11 items, participation safety 8 items, support for innovation 8 items, task orientation 7 items, interaction frequency 4 items. Moreover, knowledge sharing was measured with eleven item, which was adapted from the studies of Davenport and Prusak (1998) and Walz and Niehoff (2000). To measure the outcome of this study, eight items were adopted from Matear, Gray, and Garrett (2004) to measure new service development.

# Results

# Demographic Background

The sample of this study contained hotel employees working in three, four and five star hotels of North Cyprus. The results showed that the more than half of the respondents were male (57.6%). Moreover, in terms of age, nearly half of them (49.6%) were between age of 28 to 38 years old, and the second majority were between 18 to 37 (24%), and the minority (6.4%) of them had more than 58 years of age. Additionally, more than half of hotel employees were married (58.4%). Considering educational background of the respondents, forty-nine percent of them were high school graduates, and the second majority (35.2%) had bachelor's degree, whereas the minority of them were either vocational school graduates (14.4%) or had post graduate diplomas (0.8%). In terms of tenure, sixty-four percent of the respondents had 1 to five years of experience in the hotel, whereas minority of them had tenure of more than 11 years.

# Preliminary Analysis

The hypotheses of this study were tested using a two step structural modeling. Subsequently, Structural Equation Modeling (SEM) was performed to evaluate fit and path coefficients of the proposed model. Additionally, bootstrapping estimation was used to evaluate the mediating effects, which were conducted with AMOS. The data for this research was collected from one-

hundred and twenty five hotel employees with one month time lag. The study focused on employees without direct customer contact of three, four and five star hotels of North Cyprus.

First Exploratory factor analysis was carried out before confirmatory factor analysis and the results indicated that there were a single factor in the scales used. Afterwards, confirmatory factor analysis was performed and pointed out the convergent validity, discriminant validity and internal consistency reliability of the constructs in the proposed model. The evaluation of confirmatory factor analysis results demonstrated the significance of all factor loadings of the individual items in the proposed model (p < 0.001), after eliminating several items, due to low standardized loadings (<0.50) (J. Hair, Black, & Babin, 2010). Consequently, the factor loadings ranged from 0.96 to 0.51.

Moreover, convergent validity was acceptable, since the results of Average Variance Extracted (AVE) exceeded the threshold value (0.50) (Bagozzi & Yi, 1989; Fornell & Larcker, 1981). Likewise, the evidence of discriminant validity was provided through the estimated intercorrelations between all constructs, which were less than the square root of AVE in each construct (J. F. Hair, Black, Babin, Anderson, & Tatham, 2006). Reliability of the scales was evaluated through Cronbach's alpha coefficient and all Cronbach's alpha values were greater than 0.7. Means, standard deviations and correlations of variables are demonstrated, based on the results all the variables were significantly correlated.

	Mean	S.D.	1	2	3
<b>1.Service Innovation</b>	4.48	0.93	-		
Culture					
2.Kowledge Sharing	4.60	0.74	.34**	-	
3.Ner Service	4.35	1.18	.57**	.42**	-
Development					

Table 1 Means, standard deviations and correlations of variables

Note: (1) \**p*<0.05; \*\* *p*<0.01 (two-tailed); *N* = 125.

Means, standard deviations and correlations of variables are shown in Table 1, based on the results all the variables were significantly correlated; service innovation culture was positively related to knowledge sharing (r = 0.34, p < 0.01). In addition service innovation culture was also positively related to new service development(r = 0.57, p < 0.01). Moreover, knowledge sharing was positively and significantly related to new service development (r = 0.42, p < 0.01).

# Hypotheses Testing

The results of structural modeling illustrated that the partial mediation model fits the data well ( $\chi^2 = 1149.70$ , df = 586,  $\chi^2/df = 1.96$ , CFI=0.92, IFI=0.86, TLI=0.85, and RMSEA=0.07) compared

to other alternative model – fully mediated model – ( $\chi^2 = 1576.299$ , df = 935,  $\chi^2/df = 1.68$ , CFI=0.86, IFI=0.86, TLI=0.85, and RMSEA=0.06).

The results of SEM indicate that the service innovation culture has a positive and significant effect on knowledge sharing (direct effect =0.23, p<0.01), consequently hypothesis 1 is supported. Moreover, the results of SEM illustrated that service innovation culture had positive and significant impact on new service development (direct effect =0.62, p<0.001), thus, hypothesis 2 was also supported. Additionally, the results of SEM indicated that knowledge sharing had a positive and significant effect on the outcome of this study (direct effect =0.60, p<0.01), as a result hypothesis 3 was also supported.

Besides, percentile bootstrapping in addition to bias-corrected percentile bootstrapping at a ninetynine percent confidence interval with ten-thousand bootstrap samples was performed to examine the indirect effects of dependent variables via mediators (Preacher & Hayes, 2008). Consequently, significance of indirect effects were examined through calculation of lower and upper bounds (Wang, Tsai, & Tsai, 2014). The results of bootstrap test point out that the standardized indirect effect of service innovation culture on new service development via knowledge sharing are positive and significant (0.10, p<0.001). Therefore hypothesis 4 is supported. In other words, knowledge sharing plays a partially mediating role in the relationship between service innovation culture and new service development.

# Discussion

The current research was designed to evaluate the relationship between service innovation culture on new service development, considering the mediating role of knowledge sharing. The relations in the research were evaluated based on data obtained from hotel employees, with one month time lag. Moreover, the results of the study indicated that the empirical data supported all the proposed hypotheses. Therefore, it can be observed that having a secure and trusting work environment for employees in service organizations, in which they can freely communicate by sharing their knowledge and productive ideas will display new service development in the hotel.

It was found that service innovation culture has a positive relationship with knowledge sharing. Thus, employees who work in an organization with a trusting and secure culture, that encourages collaboration, would display higher knowledge sharing. Consistent with other findings (Ismail Al-Alawi, Yousif Al-Marzooqi, & Fraidoon Mohammed, 2007; Yang & Wan, 2004) that found a positive relation between organizational culture and knowledge sharing, the findings of this thesis also indicate that employees working in hospitality organizations with a highly trusting environment implement knowledge sharing.

Moreover, as expected, the results propose that service innovation culture boosts the new service development. A supportive service innovation culture that values employees and makes them feel important to the service organization would enliven employees and make them go beyond the formal job requirements and perform greater employee service innovation behaviors. Moreover,

scholars have found similar results and argued that employees in large hotels tend to exhibit more innovative behaviors (Li & Cathy, 2016; López-Fernández, Serrano-Bedia, & Gómez-López, 2011).

The findings of this research illustrate a partially mediating effect of knowledge sharing in the relationship between service innovation culture with the new service development of employees. Hence, some scholars have focused on the mediating role of knowledge sharing in their studies, and found similar results. As an example, similar results were established in the study of Kuo and his colleagues, where knowledge sharing was indicated to mediate the relation among job satisfaction and workplace friendship with service innovation (Kuo et al., 2014). In addition, similar results were reported in a research by Nazir and his colleagues, who also found knowledge sharing as a mediator in the relation among participative decision making and transformational leadership with organizational performance (Nazir et al., 2014). Moreover, similarly, in a more recent research by Lee (2016), knowledge sharing was found to play a mediating role in the association of sense of calling and career satisfaction of frontline hotel employees.

# **Managerial implications**

Managers can consolidate selection procedures by selecting employees, whose abilities, knowledge and skills are well matched to the requirements of the service job, which gains more importance when service organizations with higher ranks are considered. Additionally, service organizations have to provide a secure and trusting environment for their employees, in which innovative ideas are valued and rewarded by the organization, and sharing knowledge, which can help the employees in many ways in the service organization can help employees to feel free to talk about their experiences and share them with other employees, which results in positive outcomes. This is not possible if the trust is missing in the organization, thus the managers have to focus on providing an organizational culture that contains all the related issues, which will help employees to come up with new and novel services.

### Limitations and sugggestions for future studies

This study has some limitations that could be addressed in future studies. One of the limitations of this research is only considering the hotel employees who do not have direct customer contact. Besides, future studies can focus on front office employees as well as back office employees and comparisons can be carried out to see where in the hotel new services are developed. Moreover, in this study we have only focused on one innovative outcome and one mediator. In future studies other innovative outcomes and other constructs can be used as mediator in the abovementioned relationship.

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# ASSESSING THE LINK BETWEEN CULTURAL INFLUENCES AND PERSUASIBILITY IN ONLINE DAILY DEALS

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# Abstract

Individual's susceptibility to persuasion and cultural values are important factors that influencing consumer buying behaviour. This paper assesses the linkage between an individual's persuasibility to cultural values in online Daily Deals (DD). DD websites are the online platforms that offer a variety of deals and display different types of persuasive information to influence buying decisions. Using correlation analysis of 423 online DD buyers, this paper shows that individual differences in persuasibility significantly link to specific cultural values and thus extends the persuasion literature. It also provides relevant practical implications on the role of cultural values in persuasive communications.

Key Words: Individual-cultural values, susceptibility to persuasion, daily-deals.

### Introduction

Persuasibility refers to the extent of an individual's response to different types of persuasive communications (Janis, 1954). When discussing persuasion in the context of online shopping, online daily-deal (DD) websites are those well-established online intermediaries' platforms with a combination of merchants' offers and social networks (Lee, Kim, Chung, Ahn, & Lee, 2016). The DD websites have attained popularity among tourism and hospitality operators (Kattiyapornpong & Ditta-Apichai, 2014; Ong, 2015). DD retailers have been employed the combination of different persuasion strategies including offering a steep discount available for limited time (Krasnova, Veltri, Spengler, & Günther, 2013), showing the number of existing purchases (Nakhata & Kuo, 2014), and encouraging daily-deal users to share information in their social network sites to promote the deals (Ditta-apichai, Gretzel, & Kattiyapornpong, 2013). Such different types of information potentially persuade consumers in their decision making.

Considering that consumers use different types of information as cues to form a buying decision (Olson, 1972), knowledge of factors relevant to persuasibility is critical to communicate the effective messages because the degree of persuasibility varies across individuals (Clark &

Goldsmith, 2006). The majority of persuasion research has been dedicated to the influence of persuasibility on consumer's attitude and intention changes (Kirmani & Campbell, 2004). However, academic researchers have paid little interests in the investigation of factors associating with susceptibility to persuasion (Kaptein & Eckles, 2012), especially individual's personal factors. Thus, a complete understanding of the association between individual differences and their susceptibility to persuasion (e.g., the relationship between an individual's cultural values and susceptibility to persuasion principles) is still needed.

Regarding the gap in the current literature, this paper focuses on investigating cultural values relating to consumer's susceptibility to persuasion because culture influences consumer's attitude and behaviour (Mooij & Hofstede, 2011). The better understanding of the relationship between individual's cultural values and persuasibility will help both academic scholars and practitioners in planning and designing the effective marketing communication strategies to attract both local and international consumers, especially in an online market where the physical contact is absent. The paper, therefore, provides an important contribution to persuasion theory. Specifically, it links persuasibility with culture to investigate whether differences in susceptibility to persuasion potentially relate to an individual's subscription to particular cultural value orientations. Focusing on online DD buyers, this paper is also significant from a practical perspective as marketers can use the information to increase the effectiveness of persuasive cues in their messages, such as through priming of specific values with persuasive cues regarding cultural background of audiences.

# Literature Review

People differ in their susceptibility to persuasion (Bearden, Netemeyer, & Teel, 1990). That is, the level of their persuasibility determines the extent that to which an individual is susceptible to persuasive messages (e.g., opinions and behaviours of others) (Clark & Goldsmith, 2006). An individual who scores highly in their susceptibility to persuasion is more likely to be influenced than one who is less so (Kaptein, Markopoulos, de Ruyter, & Aarts, 2009).

Cialdini (2001) proposes six persuasive principles used to elicit behaviour compliance and a persuasive request. The summary of these principles are:

- *Reciprocity:* individuals are likely to return a favour.
- *Scarcity:* individuals are likely to associate greater value with things which are difficult to obtain.
- *Authority:* individuals are likely to follow the lead of authority figures and credible, knowledgeable experts.
- *Commitment:* individuals are more likely to commit to a choice or stand they previously made.
- *Social Proof*: individuals follow the wisdom of crowds especially those who are similar to them.
- *Liking*: individuals are likely to comply with a request from those they like.

Cultural values are seen as sources of patterns of thinking, feeling and acting that influence consumer behaviours, especially information acquisition (Van Everdingen, 2003). Hofstede

(2011) identifies six cultural values: individualism versus collectivism, power distance, uncertainty avoidance, masculinity versus femininity, long-term versus short-term orientation, and indulgence versus restraint. These cultural values can be simply explained:

- *Individualism versus Collectivism* describes the level of conformity with the majority in the society or groups that individuals have.
- *Power Distance* refers to the extent of acceptance in authority in the society.
- *Uncertainty Avoidance* is associated with the level of tolerance when individuals face unknown situations or uncertainty.
- Masculinity versus Femininity refers to dominant values of the gender roles in society.
- *Long-term versus Short-term Orientation* relates to what extent individuals place values on long-term fulfillment (versus immediate gratification).
- *Indulgence versus Restraint* refers to the extent of self-indulgence or gratification of life individuals have.

Little research has examined the associations between specific cultural values and individual's response to persuasive communications. Of a small number of above studies, Cialdini et al., (1999) show that the social proof principle to persuasion is more persuasive among Polish people who are considered to be collectivists than Americans who are individualists. Added to that, Dawar, Parker, and Price (1996) find that individuals living in countries that have high scores in uncertainty avoidance and power distance were more persuaded by information given by experts. Despite that, the potential association between each cultural value dimension and individuals' persuasibility remains uninvestigated, especially in online shopping (e.g., Daily-Deal shopping) in which consumers can rely on available information only because of the absence of physical offers.

DD websites provide deals with highly discounted rates available on time and/or quantity limit and the set minimum number of buyers for deal activation (Stulec & Petljak, 2013). The set minimum number of buyers to activate offers is called the "tipping point". Online DD consumers can obtain the discounted deal (usually more than 50%) and pay for their purchase only when a number of purchasing orders were more than the "tipping point", which can be one purchase or more depending on deal conditions. An example of the current online DD retailers is Groupon, a group-buying industry leader launched in 2008 (Liu & Sutanto, 2015). DD websites send daily personalised deals to the consumer's email account or mobile phone to persuade consumer's purchase decision (Hughes & Beukes, 2012). Online DD buyers can also observe other details of the offers such as deal descriptions, terms and conditions of the offers, and the number of existing orders (Park & Chung, 2012). Furthermore, some DD companies also encourage online consumers to share information on social network sites (e.g., *Facebook*) (Piccoli & Dev, 2012). Such different types of information significantly influence the success of online DD offers (Liu & Sutanto, 2015). However, the understanding of individual factors potentially influences online daily-deal purchasers' buying decision is still limited (Che, Zheng, Peng, Lim, & Hua, 2015).

Regarding the gap of the persuasion and DD literature discussed above, this paper aims to investigate associations between an individual's susceptibility to persuasion and cultural values in the context of daily deal shopping. The research question in this study is: Are online DD buyer's persuasibility and their cultural values linked?

## **Research method**

## Sample

Seeking to understand the linkage between individual cultural values and persuasibility, online daily-deal buyers who lived in Australia and Thailand and had purchased at least one deal in the preceding 12 months were recruited. Australia and Thailand were selected because of their significant growth of online shopping (Thirlwell, 2017) and cultural differences. According to Hofstede, Hofstede, and Minkov (2010), Australia is an individualist country (rank = 2) with a lower score in power distance (score = 36), uncertainty avoidance (score = 51), long-term orientation (score = 31), and a higher score in masculinity (score = 61). However, Thailand is a collectivist country (rank = 56-61) with a higher degree of power distance (score = 64), uncertainty avoidance (score = 56) and a lower degree of masculinity (score = 34). Back-translated English and Thai self-reported questionnaires were distributed to experienced DD buyers through an online survey from October 2014 to March 2015.

## Measures

This research used Kaptein's et. al., (2009) susceptibility to persuasion measurement items to assess individuals' persuasibility because they were developed with regard to Cialdini's (2001) six principles to persuasion. The measurement scales of indulgence, collectivism, power distance, and long-term orientation were modified from Sharma, Sivakumaran, and Marshall's indulgence measurement scale (2011) and the CVSCALE measurement scale (Yoo & Donthu, 2002). For masculinity and uncertainty avoidance, the researchers developed measurement items based on each cultural dimension's definition provided by Hofstede (2011).

# Analysis

423 usable questionnaires (249 English and 174 Thai) were used for analysis. Cronbach's Alpha score of susceptibility to persuasion was .989. For individual cultural values, Cronbach's alpha of each cultural dimension was above .70 ( $\alpha_{COL} = .973$ ,  $\alpha_{PD} = .904$ ,  $\alpha_{UA} = 0.930$ ,  $\alpha_{MAS} = .892$ ,  $\alpha_{LTO} = .984$ ,  $\alpha_{IN} = .945$ ). Thus, the measurements were considered to have a high reliability. Finally, we employed correlation analysis to answer the research question.

# Results

# Sample Characteristics

The total of 423 respondents represented a wide range of characteristics and buying experiences. Of them, 70.1% were female and 23.4% were male. Approximately 43% were between 18 to 30 years old, 16% were between 31 and 40 years old, and around 16% were over 40 years old, and finally, 25% preferred not sharing the information. The majority of respondents had a bachelor's degree or above (around 78% or 299 individuals), while about 15% (n =59) had finished high school, technical college or the equivalent. These details of respondent characteristics are in accordance with the literature identifying that the majority of online DD consumers are females

aged 35 years or younger who had obtained an undergraduate degree or higher (Che, Peng, Lim, & Hua, 2015).

Regarding buying experiences, approximately 43% of respondents had had purchased deals for more than two years, about 23% had over one to two-years' buying experience, about 28% for over three to 12 months; and less than 6% had purchased deals on daily-deal websites less than three months. The largest number of respondents (62.9%) purchased deals less than monthly, about 22% purchased once a month, and slightly over 14% bought deals more than once a month. These findings are consistent with DD research conducted previously indicating that the greatest number of online DD buyers have purchased a few DD offers per year (Lacerda, Santos, Veloso, & Ziviani, 2015).

# Correlation analysis results

The results are presented in Table 1. The findings indicate that an individual's susceptibility to persuasion significantly corresponds with individual cultural values. Specifically, the results of the Pearson correlations showed a significant association between an individual's susceptibility to persuasion and collectivism (r = .207, p < 0.001), uncertainty avoidance (r = .160, p < 0.001) and long-term orientation (r = .261, p < 0.001). These meaningful relationships mean collectivists, high uncertainty-avoidance individuals, and long-term orientation people are likely to comply when provided with persuasive information. Surprisingly, the positive correlation values indicated that collectivism (r = .261) but have a stronger relation than uncertainty avoidance (r = .160). In addition, the findings suggested that an individual's persuasibility does not have any correlations with an individual's cultural value regarding power distance, masculinity and indulgence.

Persuasion/	Susceptibility to persuasion		
Personal factors	Correlation ( <i>r</i> )		
	207**		
Collectivism	.207**		
Power Distance	083		
Uncertainty Avoidance	.160**		
Masculinity	.062		
Long-term orientation	.261**		
Indulgence	.032		

Table 1 The associations between an individual's susceptibility to persuasion and cultural values.

\*\* *p*<.001

# **Discussion and Conclusion**

This paper illustrates the value of considering cultural differences in relation to the degree of an individual's persuasibility. The findings indicate that persuasive messages are more influential among collectivists, individuals who highly avoid uncertainty, and long-term oriented persons. The findings are consistent with the literature relating to cultural values and persuasion (Mooij &

Hofstede, 2011). Importantly, this paper confirms the literature indicating that interpersonal relationships (Cialdini et al., 1999) and uncertainty (Dawar et al., 1996) play a significant role in persuasive communications. One of possible explanations of the findings is that collectivists value harmony in society and are likely to conform to others (Hofstede et al., 2010), and thus are likely to accept information than those people who are less collectivistic. High uncertainty avoidance persons, on the other hands, desire to avoid ambiguity (Hofstede, 2011), and thus seek more information as their uncertainty avoiding strategy. Because high long-term oriented people value thrift and perseverance (Hofstede, 2011), they possibly associate the persuasive messages (e.g., discount rates and opinions of other buyers) encountered during their online DD shopping with benefits of promotional offers and thus are persuaded easier than others.

The findings show no link between an individual's persuasibility and cultural values regarding power distance, masculinity and indulgence. The findings are in accordance with the theory indicating that people who favour power inequality are likely to comply to those who hold power (Hofstede et al., 2010). Therefore, they are not persuaded by persuasive messages provided by online consumers or marketers. High masculine people are egocentric, independent and competitive (Hofstede, 2011), and therefore, are less agreeable. Finally, Hofstede's (2011) indicates that highly indulgent individuals value gratification and are likely to purchase products to indulge themselves. Because of that, indulgent people are more likely to focus on products or services that benefit them and suit their needs and thus are not easily convinced by persuasive messages.

This research paper provides both practical and academic implications. The findings of this study extend the persuasion knowledge that individual's persuasibility relates to specific cultural values discussed previously. Put into practice, this present paper provides an opportunity for marketing practitioners and persuaders to get insightful information regarding the role of an individual's cultural value on persuasibility in order to design and plan their marketing communication strategies. The success of framing persuasive messages depends on better knowing what cultural values to prime before exposing different audiences to persuasive cues. This research, however, can be criticized for its limited scope with samples from only two countries; Thailand and Australia. The research also focused only on online DD consumers. The sample may not represent a wide range of people because the majority of online DD buyers are considered high educated, young female consumers (Che, Peng, et al., 2015). Thus, the extent of persuasibility and cultural values of the DD consumers may differ from general online consumers. Therefore, this topic remains challenging for further investigation to provide more empirical evidence.

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# MODELLING CULTURAL INFLUENCES ON DAILY-DEAL CHOICES

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# Abstract

An increasing growth of service industries worldwide provides both the number of business opportunities and challenges for service providers to serve consumers from different cultural backgrounds and perceptions. Daily Deals )DD (have become an online platform offering a broad range of service-related deals )e.g., in hospitality and tourism .(Daily-deal websites significantly rely on promotional pricing strategies )e.g., discounted price and percentage(, reduced offer availability )e.g., time and quantity limitations (and consumers' buying behavior )e.g., the number of existing purchases (and opinions via sharing activities )e.g., reviews and Facebook "Likes" (to promote deals .This paper examines the effect of consumers' cultural values on choices in response to such different types of persuasive information .Using a discrete-choice experiment of 2,464 restaurant-deal choices, this present study shows that individual cultural differences matter in the effectiveness of persuasive cues .That is, collectivism influences consumers' trade-off of such different types of information to form their choice decision .The results also emphasize the importance of the high discounted rate, the positive reviews, the number of existing purchases, and limited quantity availability on deal choices regarding the level of individual collectivism. The findings of this paper extend the knowledge in the DD literature and provide relevant implications for practitioners on persuasion and the moderating role of an individual's cultural value, especially in the hospitality industry. Therefore, practitioners should know consumer's cultural background so that they can provide specific cues that appeal to the consumers.

Keywords : Daily Deals, Cultural value, Choice Modelling

# SURGE PRICING AS A NEW PRICING MODEL FOR TRANSPORT SERVICES: THE CASE OF UBER IN SOUTH AFRICA

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## Abstract

South Africa has a poor public transport system, dominated by the minibus taxi industry that transports more than 60% of the population. The vast majority of poor South Africans experience the abysmal service in minibus taxis, notorious for their contribution to motor vehicle accidents. The emergence of Uber in South Africa has resulted in changed to the taxi industry. The night time economy has been one of the major beneficiaries, as Uber provided a 24-hour transport system. The entry of Uber has been associated with disruptive technology, which has disrupted the metered taxi industry specifically and the transport industry generally. The emergence of Uber has brought about a new pricing strategy called surge pricing, which has not been captured by academic gaze in a Southern African context. The paper seeks to add to the body of knowledge on Uber and surge pricing.

Keywords: Uber, surge pricing, South Africa, price, demand-based pricing

### Introduction

"Technology plays a crucial role in tourism and has enhanced the way of doing business in the industry. Tourism is defined as the movement of people, a sector of the economy and lastly a broad system of interacting relationships of people. Technology has changed how people communicate and the way of conducting business globally" Sifolo & Henama (2013:1). The impact of technology has been more profound in the tourism industry. The cost of doing business has been reduced, lowering barriers of entry and increasing the competition for customers. Technology has led to disintermediation especially for travel agencies, which were the traditional distribution networks in the tourism industry. Technology provided an avenue for airlines to sell their tickets directly to the customers, and this led to the proliferation of low-cost carriers. "The changes brought by the Internet revolution had altered the distribution of tourism products forever. Airline carriers have been steadily decreasing the amount of commission paid to travel agencies as payment for selling their tickets and this has threatened the existence of travel agencies" Henama (2013: 62).

According to Henama (2014) the emergence of low cost carriers (LCCs) has been able to open up new airline markets, use cheaper secondary airports that offer lower costs that are transferred to lower fares for customers.

"Business benefit from the tourism industry. There are three different types of commerce namely: business to consumer (B2C); business to business (B2B) and consumer to consumer (C2C)" Sifolo, Maimela & Tladi (2014: 58). The major structural problem facing South Africa is the high rate of unemployment. "The high rate of unemployment should have ignited entrepreneurship in South Africa, however, this has not been the case. Policy makers often view entrepreneurship as a panacea for inclusive growth" Henama (2018:2). Uber has emerged as a form of disruptive entrepreneurship, which has been able to create thousands of jobs. The entry of Uber has not been without challenges, as the metered taxi drivers have launched attacks against Uber drivers. The extent of crime against Uber drivers has captured national news, and the police has increased policing around Uber frequented areas. Uber is a transport system that is institutionalised amongst the independent tourists that arrive in South Africa. As a result, acts of crime associated with Uber, are regarded as an attack on the tourism industry. The tourism industry in South Africa is regarded as the new gold, as it has shown sustained economic growth, just like gold mining had done in the 60s and 70s. The public transportation system in South Africa is dominated by the minibus taxi industry. According to Van Zyl & Labuschagne (2008) the minibus taxi industry carries currently 65% of all public transport passengers. The taxi industry is divided into the minibus taxi industry on the one hand, and the metered taxi industry on the other hand. The taxi industry operates without the subsidies that are granted to other sectors such as rail and bus.

### Methodology

The literature review is a literature review or a synthesis, which is a meta-analysis. A literature review is associated with information gathering, and critical analysis. Johnston (2014) noted that secondary data analysis is analysis of data that was collected by someone else for another primary purpose. According to Van Wee & Banister (2015) literature reviews are very helpful as the reader gets an up to date and well-structured overview of the literature in a specific area and the review adds value. 'Conducting a literature review is a means of demonstrating an author's knowledge about a particular field of study, including vocabulary, theories, key variables and phenomena, and its methods and history'' Randolph (2009: 2). The literature review will add to the paucity of academic gaze on the surge pricing associated with Uber.

### The Impact of Technology on the Tourism Industry

"Tourism destinations attract tourism business because of the positive economic impacts such as labour intensive jobs, tourism acting as a catalyst for other industries, the attraction of foreign exchange, and foreign direct investment that comes with tourism." Henama, Acha-Anyi & Sifolo (2016:1). "We live in a fast-changing world where the Internet and new technologies are able to disrupt the traditional business models and fundamentally change an industry" De Waal (2015: 1). Technology has allowed businesses to run businesses more efficiently, compete globally across national borders, provide clients with better services, and technology has provided an additional distribution system for companies. This has also meant the lowering of the barriers of entry and the increase the competition for consumers.

Technology has given customers more power, and the deep penetration of mobile phones, especially the smartphones has changed how companies interact with customers. The smartphone with its functionality, has become a business tool. This has led to the explosion of social media. "The 21<sup>st</sup> century is witnessing an exposition of Internet-based messages transmitted through these media. They have become a major factor in influencing various aspects of consumer behaviour including awareness, information acquisition, opinions, attitudes, purchase behaviour and post-purchase communication and evaluation" Mangold & Faulds (2009: 358). "Technology is being introduced into our lives by changing our habits, our ways of relating to and modifying our commercial and leisure behaviours" Coy (2013: 76). "Tourists enjoy the advantages of "self-services": comfort, the possibility to compare prices, make a reservation and receive conformation" Agheorghiesei & Ineson (2010:45). Mobile devices are a reality in the relationships between consumers and companies according to Coy (2013). According to Forno & Garibaldi (2015) the rapid expansion of information technology, nowadays tourists can also find what they want and choose between different options without the intermediation of conventional operators.

# Sharing Economy

Also known as the collaborative consumption or peer-to-peer (P2P), the sharing economy challenges traditional notions of private ownership and is instead based on the shared production or consumption of good and services according to Penn & Wihbey (2017). Social media has allowed the growth of collaborative consumption located in the sharing economy. "The sharing economy has emerged as new socioeconomic system that allows for shared creation, production, distribution and consumption of goods and resources among individuals" Tussyadiah & Pesonen (2016: 1022). "Sharing economy marketplaces have flourished particularly with the field of travel and tourism, in which locals supply services to tourists" Ert, Fleischer & Magen (2016: 62). Companies such as Airbnb and Uber are part of the sharing and collaborative economy which experiences an upward trajectory in growth. In the recent past, tourism companies were the exclusive providers of tourism products and services, and online platforms has allowed individuals to provide services. This involves an individual using a resource such as accommodation (Airbnb) and an automobile (Uber) to provide tourism services in the marketplace against established businesses, thereby creating disruption.

The disruption is caused by using technology as a platform to match supply and demand, at a lower cost, as the providers of these services already own the resources, which leads to lower costs for operation. The collaborative lifestyles, are increasingly a character that is associated with the

growth of the millennials, who are all about experiences. Oskam & Boswijk (2016) noted that everyone can become a supplier of all sorts of products and services at a click of a button. Collaborative consumption has been able to induce changes in the travel behaviour of tourists, as it has reduced the cost of travelling. Collaborative consumption firms introduce an offering that creates disruption, giving economic value to the assets owned by individuals, whilst the technology company will provide a platform, which matches supply and demand. Within the tourism industry, Uber has emerged as an example of disruptive technology. With Uber, those need rides connect with registered drivers using a smartphone application. According to Naik (2015) the Uber trip is booked, paid for, and the details of the driver are sent to pick you up, whilst being able to track the car, and the transport service prides itself on providing a world-class customer service. Laurell & Sandstrom (2016) noted that Uber's entry into the taxi industry can therefore be analysed and understood as a new technological solution, competing with an established solutions.

# What is Uber?

Technology enabled Uber to create a very simple, clever app that empowers both the user and driver-it changed the taxi industry and there is no going back according to De Waal (2015). "Uber is a service that uses technology to empower any owner of a vehicle to take part in commercial ride-sharing ventures. It has revolutionised the transport industry in many European and US cities and created jobs, as one simply needs a car and a smartphone to register. Customers can easily order the service via a smartphone app. Therefore, in many places, it has provided cheaper and more reliable transport than the traditional taxis" Hass (2016: 1). "Uber is hitting headlines daily. Whether you love it (as most customers do) or hate it (as most competitors do), you can't argue with its success. The rideshare company is valued at more than Avis, United Airlines and Fiat combined. Few people regarding the taxi business as one that was ripe for disruption, and yet that is exactly what is happening in hundreds of cities across 50 countries" Wade (2015:1). "In most cities, the taxi industry is highly regulated and utilizes technology developed in the 1940s. Ride sharing services such as Uber and Lyft, which use modern internet-based mobile technology to connect passengers and drives, have begun to compete with traditional taxis" Cramer & Krueger (2016: 1).

"Taxi industries across the wold have been highly regulated with minimal innovation over the past century. Many American cites operate under a taxi medallion system. A taxi medallion is a permit for a vehicle to be used as a taxi. Cities that operate under this system limit the number of taxi medallions available. The goal of the medallion system is to control the supply of taxis in the market and to maintain an efficient number of taxis" Kelly (2016: 2). According to World Economic Forum (2015) the taxi drivers are being asked to adjust in a matter of days, rather than years. The pressure to change is made worse by the change in customer preference to use the ondemand service provided by Uber. Wade (2015) noted that Uber has a winning formula: a clear value proposition, ease of use, high service levels, price transparency, choice and attractive rates. Gabel (2016) noted that Uber is able to provide service at a lower price, in part, because its drivers are subject to less regulations. Uber has reduced the barriers of entry for people in the metered

taxi industry. "Uber lowers entry barriers for operators by allowing them to function in a similar manner to taxis, but without the substantial costs of buying or hiring a taxi permit or medallion. This significantly decrease entry barriers to supply. The ease and speed with which the app can be downloaded, coupled with cashless payment systems and high rates of smartphone ownership, reduces transaction costs for the passenger" Harding, Kandlikar & Gulati (2016: 20).

"The beauty about Uber is that it places the customer at the centre of the taxi service, which allows the customer to review the experience that they get in the taxi service. This ensures that the Uber taxis consistently arrive on time, give exceptional service and a 'wow' service is guaranteed for the customer. When an Uber driver's performance is below the city's average that diver has their service terminated. With Uber, the customer is king. The system also allows the driver to rate the conduct of the Uber customers, which means that Uber encourages the customers to display the best possible behaviour. This is based on the understanding that the customer and the driver are both co-producers of their experience as Uber has been able to achieve synergy between the ensuring that Uber drivers give 'wow' service and the Uber customers are the best possible customers'' Henama (2016:2).

# Pricing as an element of the Marketing Mix

While doing market planning, the marketing manager of a company obtains marketing information to assess the situation. According to McCarthy (1964) the marketing mix is a pack of four sets of variables, namely product variable, price variable, promotion variable, and place variable. In simple words marketing mix means a marketing programme that is offered by a firm to its target consumers to earn profits through satisfaction of their wants. Such a marketing programme is a mixture of four ingredients, namely product mix, price mix, place (distribution) mix and promotion mix. The marketing mix are called the P's. According to Kotler & Zaltman (1971: 17) 'marketing as the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services''.

"The marketing concept is the ethical code according to which the marketing task is performed. Four principles are contained in the marketing concept. All four principles are equally important and each one invariably influences the applications of the other principles. The marketing concept directs all marketing decisions about products, distribution methods, marketing communication and price determination" Erasmus, Strydom & Rudansky-Kloppers (2016: 408). "Price is the only component of the marketing mix that produces revenue. All of the other components are expenditures" George (2014: 303). "Price is what is given up in an exchange to acquire a product or service. Normally, price is the money exchanged for the product or service" Lamb Jr. (2013:406). Price is vital for profitability, and the long-term sustainability of a company, as profits contribute towards to sustainability. Customers that are convinced that they will be satisfied by a product, will pay the require price and access the product to satisfy their needs and wants. The act of paying price, is to ensure that the customer, get to access the product, therefore price payment is about getting access to use or consume a product. According to Erasmus, Strydom & Rudansky-Kloppers (2016) the price determination process has the following four steps:

- **Determination of the cost price:** The unit costs to manufacture and market the product are calculated.
- **Determination of the market price:** The market price is the price the consumer is prepared to pay or the current market price at which competing products are sold.
- **Determination of the target price:** The target price is the price that will realise the target rate of return, taking into consideration the cost structure.
- **Determination of the final price:** This price is the price at which the product is a reconciliation of the market price and the target price.

The final price is the case of Uber is influenced by demand, and demand-based pricing strategies will then apply as an entry into surge pricing. According to George (2014) demand-based pricing allows the marketer to charge higher prices when demand is up and lower prices when demand is down, regardless of the costs of producing the offering. In addition, demand-based pricing

# Surge Pricing by Uber

According to Hass (2016) Uber pricing is becoming standardised and increasingly transparent with the introduction of meters. "Ube charges passengers according to a predetermined pricing structure which allows the fare to move between a fixed price floor and ceiling. Prices are set according to an algorithm based on the service levels and the relationship between seupply and demad in the local market and is calibrated to reflect price sensitivity. The passenger must agree to the cost of the journey before its commencement. The cost of the trip is known upfront and is consistent and no arbitrary" Harding, Kandlikar & Gulati (2016: 20). Because demand would not be same throughout the day, there are times of peak demand and times of low demand. The airline industry is known for using yield management, charging various prices for the same airline seat, depending on demand. The airline industry uses yield management to reduce supply, whilst Uber adds supply into the market to meet the demand. There would be a shortage of drivers on weekends and during the evenings, and the surge pricing ensures that customers are secured of a trip, whilst it drives up supply during these periods of limited supply. According to George (2014) yield management is a form of discriminatory pricing that predicts consumer behaviour and adjusts its pricing strategies accordingly to maximise profits. According to Uber (2017) the fees are calculated as follows:

- Base fare: the price of pickup
- Time: from the start to end of a trip
- Distance: miles or kilometres of route  $\Box$
- Surge pricing (if applicable)
- Tolls and other fees (if applicable).

"During periods of excessive demand or scarce supply, when there are far more rides than drivers, Uber increases its normal fares with multiplier whose value depends on scarcity of available drivers. This so-called surge pricing uses microeconomics to calculate a market price for riders and drivers alike. The goal of surge pricing is to find the "equilibrium price", at which driver supply matches rider demand and rider's wait time is minimized. Studies show that surge pricing achieves what it was designed to do: it brings more drivers online, and it allocates available rides to those who value them more" Dholakai (2015:2). Uber seems to use the term dynamic pricing as a synonym for surge pricing. According to Uber (2017) Uber's fares are dynamically prices, which means that the fare is a rider sees is based on variables subject to change over time, these variables include (but are not limited to) the estimated time and distance of the predicted route, estimated traffic and the number of riders and drivers using Uber at a given moment.

According to Dholakai (2015), Uber can take four actions to solve problems associated with surge pricing:

- Cap the surge multiplier at a reasonable number and communicate the cap clearly. The surge multiplier at the heart of Uber's pricing is a black box. No one (outside of Uber) knows how it is calculated or how high it can go. Riders have expressed outrage at having to pay inflated prices when the multiplier starts rising beyond 5x.
- **Reduce the volatility of price fluctuations.** Uber rides have vociferously complained that surge prices fluctuate wildly from one moment to the next. Delaying a ride by only five minutes could result in paying either twice as much or a fraction of the amount. Fewer and more predictable price changes, such as higher prices during rush hour or on weekend nights and normal prices in late morning and early afternoons, will make the experience more predictable and comforting for riders.
- Market the beneficial consequences of surge pricing to riders. Many riders only see the high prices they are paying, failing to account for the significant benefits received in exchange. To deal with customers' price-focused decision calculus, savvy marketers clearly explain the benefits customers are getting for the price they pay.
- **Rebrand the surge pricing concept.** The phrase 'surge pricing' is descriptive and accurate, but it originates from economic thinking rather than a marketer's imagination. A potential solution here is to move away from this name. Surge pricing needs to be replaced with a term that describes the method's benefits to riders rather than the velocity with which prices increase. Labels such as *convenient pricing* (after all, it reduces wait time), *certainty pricing* (it provides certainty about getting the service and what the rider will pay, or even *priority pricing* ( it gives priority to rides who really need the service) are all more accurate and customer-focused names for this pricing method.

According to Mokgothu (2017) in case you are worried about being overpriced, here are a few measures you can take:

- Screenshot the route the app shows you where you agree to upfront pricing, and then screenshot the final route they send you once the trip has concluded: the route you actually took.
- If the route taken was different, you might be able to negotiate a fare adjustment through Uber's refund policy, which has an option for inefficient routes. Also remember that you can suggest a route you prefer to the driver.
- You can then complain directly to Uber. Whether you'll be refunded is another question, but you'd join the ranks of those pushing for fairer policies.
- Remember that you can also compare prices on other transport services such as Taxify then choose the one that is most suitable for you.

# Conclusions

According to Henama (2017) the emergence of Uber has practically challenged regulators, as the market disruptor has actually developed far before legislative processes to respond to change brought about by Uber. The emergence of Uber as a taxi drivers, has revolutionarised the transport experience of thousands of South Africa. The structural challenges that impact on South Africa include an inefficient public transport system, which is not well integrated, which is notorious for abysmal service and low levels of personal safety and security. "Taxi industry across the world have been affected by a new trend in transportation; ridesharing services. It is suggested that this effect has been demonstrated through falling medallion prices. This recent decline in taxi medallion prices has been coined the term, The Uber Effect" Kelly (2016: 1). "One fundamental reason that Uber can provide service at a lower rate is because the price of medallion ride has been regulated to exceed the economic cost of production. Cities set supra-competitive prices in order to increase the revenue from the sale of medallions, If barriers to entry are low, or non-existent, the price of service should drop to the economic cost of production" Gabel (2016: 529).

As noted by Wallsten (2015), the so called "sharing economy" has turned traditionally underused assets into competitors to established industries. It is therefore an opportunity to give underused an economic value, and an appropriate platform to introduce millions of people to entrepreneurship. "Thanks also to the rapid expansion of information technology, nowadays tourists can also find what they want and choose between different options without the intermediation of conventional operators. References to the empowered tourists, a traveller capable of searching independently to meet his/her own specific needs or expectations, have become even more frequent in the literature" Forno & Garibaldi (2015: 203). According to Paronda, Regidor & Gaabucayan-Napalang (2017) in research associated with Uber in Manila, the poor public transport systems had led a plethora of women opt to ride Uber. "In terms of work, Uber creates more jobs than it destroys This leads to a clear increase in efficiency and provides overall income gains. Even if losers were fully compensated, the sum of the gains-shared by the firm, its mostly part-time workers and its customers-would far outweigh the losses" World Economic Forum (2015: 2). "In the new world of taxi competition, consumers can switch providers at low cost. As a result, traditional taxis may face a new incentive to compete. Competing on price in the short run is difficult-prices are typically regulated and change

infrequently. They might also compete on quality-making sure their cars are clean and features like credit card readers, running the air conditioner in the summer, not talking on the cell phones, and so on'' Wallsten (2015: 6).

"Uber has improved intra-city mobility by providing a cheaper transportation option which has been supported by customers. The Night Time Economy, which is entertainment and food-andbeverage led, has been a net beneficiary, as people can enjoy themselves with the knowledge that there is Uber to take them home if they do not wish to drive themselves or if they are inebriated, The Night Time Economy has responded by increasing the number of job opportunities available in a country that has an unemployment rate around 27%. Uber has been able to create more jobs than it has destroyed'' Henama & Sifolo (2017: 8). Uber is disproprotonally consumed by tourists. "An attack on Uber is an attack on tourism growth in South Africa, and an attack on tourism is an attack on the economy, that is the gaze hat we as South African must have. The majority of independent tourists that visit South Africa use Uber which is now a global brand and accepted as an essential service if you seek to promote tourism at a destination'' Henama (2016:1).

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# A RESEARCH ON THE PERSPECTIVE ASPECT OF SALES ON THE INTERNET IN THE PASSENGER TRANSPORTATION SECTOR, SAMPLE OF TCDD-ANKARA-KONYA HIGH SPEED TRAIN PASSENGERS

Emine Vasfiye Korkmaz, Yaşar Korkmaz and Neslihan Değirmenci

# Abstract

Road transport is an important sector that produces new transportation models to meet the changing needs of people. In Turkey, railway transportation was in the forefront until 1950's, and after 1950, road transportation had more progress than the railway transportation. However, with the global and technological developments in the transportation sector, high speed train lines have enabled the passengers to choose the train journey again from the 2000s onwards. In this study value added analysis of road passenger transport which is of importance especially for our country. The aim of this study is to investigate the points of view of customers who choose the train route for passenger transportation. The study has a quality of empirical research. In the study, survey technique is used as data collecting instrument. In the context of this study, questionnaires were applied to the passengers who selected to travel at the Ankara high-speed railway by chance sampling method. The data obtained in this study will be analyzed by the programme of SPSS23. It is considered that the findings to be obtained at the end of the study will make contribution to eliminating the deficiency in the area and will present useful opinions toward the literature and application.

Key words : Road transport, sales on the internet, marketing

# HOST PERCEPTIONS OF TOURISM IMPACT AND STAGE OF DESTINATION DEVELOPMENT

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# Abstract

This study analyses residents' perceived tourism impacts in relation to their evaluation of stage of destination development. According to a survey that collected valid responses from 570 local residents in India, residents who perceive tourism to be in the development and full development/stagnation stages agree more strongly than those who consider tourism to be in the beginning stage that it increases employment opportunities and seasonality and stipulates cultural activities. In contrast, those who think tourism is in the beginning stage are more concerned about environmental pollution and thus advocate restrictions on the industry.

Keywords: tourism impacts; resident attitudes; destination life cycle; sustainability; India.

### Introduction

Tourism impact has been a topic of academic studies for about five decades (Nunkoo, Smith, & Ramkissoon, 2013), where research attention has shifted from tourism's beneficial economic contributions in the 1960s to its detrimental sociocultural impacts in the 1970s and its environmental effects and the need for local participation in tourism development in the 1980s (Ap, 1992; Holden, Sonne, & Novelli, 2011; Sharpley, 2014). Literature of the 1990s shifted from the impacts themselves towards the attitudes and perceptions of host residents (Pham, 2012). In the recent past, resident perceptions and attitudes towards tourism have attracted the attention of many researchers, the primary reason being that they are likely to influence tourists' experience and satisfaction, the success of tourism programs and policies, as well as the sustainability of tourist destinations overall (Ap, 1992; Hernandez, Cohen, & Garcia, 1996; Sharpley, 2014). Such changes also reflect broader concerns in the tourism discipline over sustainability issues and the importance of attending to the needs of host communities in tourism development (Holden et al., 2011).

Prior research has examined residents' perceptions of tourism impacts (Belishe & Hoy, 1980; Ko & Stewart, 2002; Harrill & Potts, 2003; Jurowski & Gursoy, 2004; Haley, Snaith, & Miller, 2005; Chen & Chen, 2010; Wang & Chen, 2015) and support for tourism development (Long, Purdue,

& Allen, 1990; Látková & Vogt, 2012; Stylidis, Biran, Sit, & Szivas, 2014). Geographically, such studies have largely focused upon developed countries in North America (Milman & Pizam, 1988; Long et al., 1990; McGehee & Andereck, 2004; Nepal, 2008), Europe (Brunt & Courtney, 1999; Haley et al., 2005; Pérez & Nadal, 2005), and Oceania (Mason & Cheyne, 2000; Weaver & Lawton, 2001). However, there has been little scholarly effort devoted to the developing countries (McDowall & Choi, 2010; Nunkoo & Gursoy, 2012; Pham, 2012; Sharpley, 2014), despite scholars arguing that residents' attitudes towards and support for tourism differ between developed and developing country contexts (Nunkoo & Gursoy, 2012; Sharpley, 2014). Although studies conducted in developed countries may offer meaningful theoretical and practical implications, they may not be applicable to climate change (Nunkoo & Gursoy, 2012). Such features mean that developing countries may confront more challenges than their developed counterparts in terms of sustainable tourism development (Nunkoo & Gursoy, 2012; Stylidis et al., 2014). As a result, sustainable development of tourism in developing economies may require greater community involvement (Truong, Hall, & Garry, 2014).

In addition, residents' perceptions of tourism impacts and support for tourism may vary by the level or stage of tourism development (Butler, 1980; Allen, Long, Purdue, & Kieselbach, 1988; Nemethy, 1990; Ko & Stewart, 2002). Mathieson and Wall (1982) argued that the perceived impacts of tourism transform over time subject to structural changes in the industry as well as the interaction between residents and tourists. Allen et al. (1988) suggested that degree of tourism development directly affects residents' perceptions of tourism impacts on community life. Yet, the majority of prior studies only examined how residents' perceived tourism impacts vary by several proposed levels/plans/scenarios of tourism development (Allen, Hafer, Long, & Purdue, 1993; Johnson, Snepenger, & Akis, 1994; Látková & Vogt, 2012). Few of them consider residents' own evaluation of stage of tourism development in relation to their perceptions of tourism impacts, despite recognition that residents better understand their place's characteristics as well as the problems and challenges it encounters (Stylidis et al., 2014; Wang & Chen, 2015).

From the previous research, there is a need to fill this gap of the impact of tourism activity in developing country contexts. Thus, this study is aimed at examining tourism impacts and support for tourism development as perceived by residents in Puri and Varanasi that are two important historic cities in India. Puri and Varanasi are located in Odisha and Uttar Pradesh states respectively (Indian Ministry of Tourism, 2016). Although India is known as "a land of spectacular landscape, enchanting coastline, colourful seasons, wildlife paradise, aesthetic and exquisite traditions of architecture and a land of rich music and dances" (Kumar, 1992, p. x), it has received limited research attention (Shinde, 2012). On the other hand, India is arguably a unique study context since its culture differs significantly from one place to another, offering a diversity of perceived tourism impacts (Buzinde, Kalavar, Kohli, & Manuel-Navarette, 2014). This study extends the literature by examining not only residents' perceptions of tourism impacts but also the relationship between those perceived impacts and perceived stage of tourism development as well as residents' support for tourism.

## **Literature Review**

The literature suggests that the perceived impacts of tourism embrace economic, sociocultural, and environmental dimensions and that both positive and negative aspects of each impact dimension should be considered (Andereck, Valetine, Knopf, & Vogt, 2005; Chen & Chen, 2010). Examples of positive economic impacts include economic growth, economic standing of residents, improved living standard, tax revenues, employment, while those of negative impacts are tax burdens, inflation, economic instability, seasonal employment, and government debt. The sociocultural impacts may embrace positive elements such as improved quality of life, intercultural communication and understanding, resurgence of traditional practices, community pride, and negative elements such as increased crimes, social conflicts, and authenticity loss. The positive environmental impacts of tourism may include protection of parks and wildlife, preservation of historical relics, and improved aesthetics in the destination, while its negative effects may include crowding, traffic congestion, environmental pollution (air, water, noise), littering, depletion of natural resources, and land construction (Allen et al., 1993; Brunt & Courtney, 1999; Andereck et al., 2005; Huttasin, 2008; Chen & Chen, 2010; Nunkoo & Gursoy, 2012).

# Resident Perceptions of Tourism Impacts and Demographic Variables

The perceived impacts of tourism vary depending on residents' demographic characteristics and/or socioeconomic circumstances, such as age, gender, education, job, and income. Prior studies have also considered the influence of distance of residence on the way residents perceive tourism impacts and support tourism development. Furthermore, the effect of length of residence on residents' perceptions of and support for tourism has been taken in account. Other factors that have been considered by prior research include community attachment (Mason & Cheyne, 2000; Harrill & Potts, 2003; Chen & Chen, 2010), place of birth (Kuvan & Akan, 2005), knowledge about tourism (Lankford, 1994; Andereck et al., 2005; Látková & Vogt, 2012), informedness and involvement in tourism (Šegota, Mihalič, & Kuščer, 2016), political and demographic position/empowerment (Mansfeld, 1992; Gursoy & Rutherford, 2004; Boley, McGehee, Purdue, & Long, 2014), type and form of tourism (Látková & Vogt, 2012), state of local economy (Gursoy et al., 2002), perceived personal identity (Nunkoo & Gursoy, 2012), and place identity/image (Stylidis et al., 2014; Wang & Chen, 2015).

### Perceived Tourism Impacts and Stage of Destination Development

The perceived impacts of tourism also vary by the level or stage of destination development. Indeed, Mathieson and Wall (1982) argued that perceived tourism impacts change through time as tourism develops, structural changes in the industry occur, and the host population is exposed to the tourist to a greater extent. Butler (1980) proposed a tourist area life cycle (TALC) model that consists of five stages: discovery, involvement (few tourists visit an area and local people happily seize economic opportunities provided by tourism), development (more tourists arrive and thus more facilities are established), consolidation (tourist numbers continue to increase, facilities are fully utilised, resentment is seen in people who do not benefit from tourism), and stagnation (the area becomes less appealing, host residents become bored with the presence of tourists, tourists look for new areas), at which point the area either declines or rejuvenates. Generally, it is suggested that a negative relationship exists between level of tourism development and tourism impacts whether such impacts are measured objectively (e.g., number of tourists or tourism facilities) or subjectively (e.g., resident perceptions) (Johnson et al., 1994). For example, Nemethy (1990) argued that resident attitudes transform from welcome through to development, resentment, confrontation, and destruction. Butler's (1980) model has been widely applied, wherein studies suggest that for many tourist destinations resident feelings take a downward trend from happiness to regret over the course of destination development (Johnson et al., 1994; Akis, Peristianis, & Warner, 1996; Hunt & Stronza, 2014). Yet, it has also been criticised on the ground that communities are heterogeneous with different interests and that their attitudes depend on many factors (Sharpley, 2014). Nevertheless, it remains the single most cited refereed article in tourism studies (Hall, 2006) that "provides a useful framework for description and interpretation" (Hovinen, 2002, p. 227).

The relationship between level of tourism development and perceived tourism impacts has been examined by some scholars. Allen et al. (1988) suggested that level of tourism development directly affected residents' perceptions of tourism impacts on community life. They proposed a threshold for tourism development, beyond which residents' perceptions became more negative. Long et al. (1990) also found that in rural Colorado residents' perceptions of the impacts of tourism increased as tourism further developed. Allen et al. (1993) examined resident perceptions using four "scenarios". In the first scenario of "low tourism development. In the second scenario of "high economic activity and high tourism development", residents' attitudes towards tourism were favourable since they already benefited from tourism. Yet, in the scenario of "high economic activity and low tourism development" residents did not feel the need to develop tourism due to their stable economic situation. In the final scenario of "low economic activity and high tourism development" scenario of "low economic activity and high tourism development" residents did not feel the need to develop tourism due to their stable economic situation. In the final scenario of "low economic activity and high tourism development" residents did not deliver benefits as they expected.

Most of these studies were undertaken in developed country contexts. Application of Butler's model is limited in less developed countries, as Butler (2006) recognised in his state-of-knowledge volumes on TALC research. Furthermore, many prior studies tend to adopt *a priori* categorisation of potential levels of tourism development (e.g., low vs. high) and their associated potential impacts (e.g., positive vs. negative). Limited research considers residents' own evaluation of the stage at which their place is developing in relation to their perceptions of tourism impacts. Few exceptions include Diedrich and Garcia-Buades (2009) who examined tourism impacts based on residents' perceived stage of tourism development. Three stages of tourism development were used, namely "too low", "correct level", and "too high". It was found that the perceived positive and negative impacts of tourism increased as tourism development increased. This is despite increased recognition that residents better understand their place's characteristics as well as the problems and challenges it confronts (Stylidis et al., 2014; Wang & Chen, 2015). A community is also composed of heterogeneous groups, whose perceptions of stage of tourism development and associated impacts may differ significantly (Lindberg, Andersson, & Dellaert, 2001; Deery, Jago, & Fredline, 2012).

# Method

# Questionnaire Design and Administration

This study adopts a quantitative methodological approach, following prior research on resident perceptions of tourism impacts (Deery et al., 2012; Sharpley, 2014). A questionnaire was designed as a means for collecting data. The key statements concerning resident perceptions and attitudes were sourced from the existing literature (McGehee & Andereck, 2004; Nepal, 2008; Nunkoo & Gursoy, 2012) particularly that relevant to Asian settings (Huttasin, 2008; Chen & Chen 2010; Pham, 2012). Minor contextual amendments were made following discussions with some Indian tourism scholars and practitioners who were asked to judge the relevance of the statements to the Indian context. The survey consisted of three main sections. The first included 44 closed statements with which respondents indicated their level of agreement using a seven-point Likert scale that ranged from one (strongly disagree) to seven (strongly agree). The second section involved residents' support for tourism development, wherein respondents rated the extent to which they agreed with several proposed tourism development plans (e.g., further development vs. restriction). The third section sought respondents' demographic information. In addition, a question asked respondents to rate the stage they perceive at which the tourism sector in their city is developing. Four stages were used, including beginning (discovery/involvement), development, full development, and stagnation, which are consistent with Butler's (1980) model. Butler's (1980) first two stages of discovery and involvement were grouped as one in this study in accordance with Butler's (2006) suggestion for application in developing country contexts. Butler's (1980, 2006) stage names were amended semantically to make them more comprehensible to local residents.

# Findings and discussion

# Perceived Stage of Destination Development, Tourism Impacts, and Support for Tourism

Of the 570 respondents, 120 (21.1%; 76 in Varanasi and 44 in Puri) state that their place is in the beginning stage of tourism development. Two-third of them consider their home destination to be in the development stage (70.4%). Only 8.6% of them feel that tourism has fully developed and started to stagnate (Table 1). The last two stages of full development and stagnation were grouped together since they received a small number of responses. A possible explanation is that India is still a developing country whose tourism potential remains somewhat untapped in many regions. If residents' perceptions are considered to reflect the stage of destination development, the finding of this study suggests that in the context of developing countries like India the last two stages on Butler's (1980) TALC model (full development and stagnation) may be combined since they received a limited number of responses. Similarly, Butler's (1980) first two stages of discovery and involvement may also be considered as one and labelled development stage. Theoretically, this study responds to Butler's (2006) call for application of the TALC model in developing country contexts, incorporating residents' perceptions as an additional indicator of stage of destination development apart from objective data and measures such as numbers of tourists and tourism facilities that are often seen in prior studies (Butler, 2006). The influence of residents' perceived stage of destination development on their perceived tourism impacts and support for tourism in the study areas are summarised in Figure 2. Yet, further research is required that covers

a greater number of residents in India as well as that conducted in other developing countries to expand the findings of the present study.

Perceived stage of destination development	Beginning (n=120)	Development (n=401)	Full development/sta gnation (n=49)	F	Sig.
Varanasi (frequency)	76	189	13	-	-
Puri (frequency)	44	212	36	-	-
Perceived tourism impacts*					
Tourism increases employment opportunities (mean)	6.017	6.204	6.265	3.248	.040
Tourism increases seasonality in labour (mean)	5.608	5.880	5.714	4.257	.015
Tourism stipulates cultural activities (mean)	5.742	5.973	6.082	4.146	.016
Tourism causes pollution (mean)	5.733	5.459	5.367	4.167	.016
Support for tourism development*					
The regional tourism authorities should consider plans to restrict the growth of tourism (mean)	5.392	4.516	4.490	10.98 5	.000

Table 1. Residents' perceived stage of destination development, tourism impacts, and support for tourism development

\* Seven-point Likert scale ranged from 1 (strongly disagree) to 7 (strongly agree); N=570.

\*\* Level of statistical significance at .05.

To examine whether residents' perceptions of stage of destination development significantly influence their perceptions of tourism impacts and level of support for tourism, ANOVA was conducted. With respect to perceived tourism impacts, statistical differences are only significant in four of the 44 statements. Those who consider tourism to be in the development and full development/stagnation stages agree more strongly than those who perceive tourism as in the beginning stage that it increases employment opportunities and seasonality and that it stipulates cultural activities. By contrast, those who perceive tourism to be in the development and full development/stagnation stages with respect to its impacts on environmental pollution. Concerning residents' support for tourism development, statistical differences are not evident in most of the statements presented on the survey instrument except one that involves restrictions on tourism development. It is interesting that those who perceive tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development than those who consider tourism to be in the beginning stage are more supportive of limited tourism development stages.

Residents who perceive tourism to be in the beginning stage are more concerned about environmental pollution due to tourism development than those who consider tourism to be in the development and full development/stagnation stages. As a result, they are more supportive of restrictions on tourism (Table 1) although they are aware of its positive economic and sociocultural contributions. This finding is contrast to that of previous research which suggests that at the beginning stage of tourism development host residents are happy to welcome tourists who come

from different cultures and bring about economic benefits (Nemethy, 1990). The present study suggests that a segment of residents may not be willing to sacrifice environmental quality for tourism development. Recently research has indicated that residents' support for tourism development may not necessarily be explained by the extent of their interaction with tourists or growing numbers of visitors (Butler, 2006). Rather, there are a variety of factors at play such as the characteristics of tourists (Butler, 2006). The present study adds that residents' perceptions of tourism impacts and support for tourism may depend on their own evaluation of stage of destination development.

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# FORECASTING HOSPITALITY STOCK RETURN VOLATILITY USING COPULA

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# Abstract

In this study, we propose to use the copula method to analyze and forecast hospitality stock return volatility (HSRV). We analyze 4 hospitality stocks for serial dependence structure and its contribution to forecasting. Results show that the serial dependence structures of HSRV can be different. Crucially, the comparison between the selected copulas and the AR(1)/ARMA models reveals the contribution of well specified structure to volatility forecasting. The copula technique can provide insight to hospitality corporations in making financial decisions. The study also benefits investors with a useful tool to quantify the risk exposure in hospitality stock investments.

Key Words: Hospitality Stock Return Volatility; Copula Method; Serial Dependence Structure; Forecasting Performance; Univariate Time Series.

# Introduction

The hospitality industry is a major service sector in the global economy and its vibrant growth is a catalyst for the economic development of many countries. The World Tourism Organization forecasts that the hospitality industry will triple its size by 2020, making it one of the largest industries in the world (as cited in Radut (2015).

Previous hospitality finance research has discussed some factors affecting hotel stock performance. For example, M. H. Chen, Kim, and Kim (2005) reveal the significant effect of different macroeconomic and non-macroeconomic factors on hotel stock returns in Taiwan. Similarly, M. H. Chen (2007) also analyzes the macro and non-macro explanatory factors of hotel stock returns in China. While these studies can benefit investors in hotel stock trading, the former did not provide any foresight for stock volatility.

Volatility is the fundamental risk aspect of the stock market, and has motivated researchers to examine volatility forecasts. Forecasting stock return volatility can inform shareholders on investment and financial risk management decision-making in this industry. The focus of regulators, practitioners and researchers on volatility has increased since the international stock market crash in 1987 (Brailsford & Faff, 1996). Our study aims to provide an alternate method for

forecasting hospitality stock return volatility (HSRV), and to advance knowledge of serial dependence structure of the volatility of stock returns.

The outline of this paper is as follows. A review of forecasting methods used in the hospitality finance literature is presented in the next section. This is followed by the proposed copula methodology, empirical analysis and discussion of the current study. Some concluding remarks are provided in the last section.

# Literature review

Olsen and Jose (1982) are among the pioneers who initiate the application of time series models in hospitality research. Successive researchers have examined the use of different time series models in room occupancy forecasts (Ellero & Pellegrini, 2014; Koupriouchina, van der Rest, & Schwartz, 2014; Law, 1998; Pereira, 2016; Schwartz, Uysal, Webb, & Altin, 2016). Besides, researchers are also interested in forecasting the industry turning point (Choi, Olsen, Kwansa, & Tse, 1999) and guest nights (Lim, Chang, & McAleer, 2009). In these studies, the univariate models used are mainly linear, applying the basic form of Box and Jenkins (1970) autoregressive moving average (ARMA) procedure.

Extensions of ARMA models have been proposed which include ARIMA (where 'I' stands for integrated) models or seasonal ARIMA (SARIMA) models, among others. Although the linear models are popular, they might not be effective in capturing the relationship between current and historical hotel room demand to predict future demand, as the relationship can be nonlinear. The specification of a nonlinear model to a particular data set is a difficult task, because there are too many possible nonlinear relationships (Claveria, Monte, & Torra, 2015). The artificial neural networks, which do not require a priori knowledge about the relationship, are thus appealing. However, the neural network model suffers from network structure determination difficulty, which restricts its applicability (Kisi, 2011).

Forecasting practice using various versions of ARMA models are applied to stock indices to predict stock market volatility (Chong, Ahmad, & Abdullah, 1999; Franses & Van Dijk, 1996; Kambouroudis, McMillan, & Tsakou, 2016; Marcucci, 2005). The current study proposes the copula approach as an alternative to forecasting stock return volatility and it is applied to four hospitality equities listed on the Singapore Stock Exchange.

Compared to the traditional forecasting models, the copula approach is more flexible, as it covers a variety of functions to represent different dependence structures and does not require the HSRV to be normally distributed. The copula method has been extensively used to reveal the dependence patterns in/across financial markets. Relevant studies shed light on the co-movement of stock returns, especially the dependence structures of stock return pairs. For instance, Fortin and Kuzmics (2002) demonstrate that the joint distribution of return pairs of European stock indices displays strong tail dependence and should not be represented by elliptical copulas; and Rodriguez (2007) indicates that dependence structure between stock market returns of countries in Asia and Latin America changed during the Asian and Mexican crises. However, the copula approach has rarely been used for forecasting stock market volatility in general, and the hospitality stocks in particular. The current study intends to fill this gap.

#### Methodology

According to Sklar's Theorem, a valid joint distribution of the random variables can be obtained by combining the given marginal distributions with a copula function (Sklar, 1959). We will apply two-dimensional copulas with first-order autocorrelation of residuals to univariate time series analysis for HSRV. The inputs to the copula are marginal distribution functions and the inputs in a copula function can be any set of disparate distributions. In the current study, we analyze the serial dependence structure between  $Y_t$  and  $Y_{t-1}$ . If we denote H(.) as the joint distribution function of  $Y_t$  and  $Y_{t-1}$  with continuous marginal distribution function  $F_m$ , H(.) can be represented by a copula function C(.) as:

$$H(y_{t}, y_{t-1}) = C\{F_{m}(y_{t}), F_{m}(y_{t-1}); \theta\}$$
(1)

Equation (2) can be rewritten as:

$$H(y_{t}, y_{t-1}) = C(u_{t}, u_{t-1}; \theta)$$
(2)

where  $u_{t-i}$  is the cumulative density and  $u_{t-i} = F_m(y_{t-i})$  for i = 0, 1;  $\theta$  is the association/ dependence parameter between  $u_t$  and  $u_{t-1}$ . Two-dimensional copula models are constructed for forecasting purpose and the series involved have to be first-order Markov process.

There are numerous copula functions available for the specification of serial dependence structure. We consider two commonly used copula families, namely elliptical and Archimedean families, and select five copula functions from these two families. The Gaussian and Student-t are the well-known copulas in the elliptical family. The Archimedean family is also very important in the copula literature, as it allows for various dependence structures (Embrechts, Lindskog, & McNeil, 2001). We select Frank, Clayton and Gumbel copulas from this family, which describe different kinds of tail dependence, and they complement the elliptical copulas.

The Gaussian copula and Student-t copula are employed to represent symmetric and elliptical dependence structure. Unlike the Gaussian copula, the Student-t copula has joint fat tails and allows for higher probability of joint extreme events (Aas, 2004). If the dependence structure is symmetric and strongest in the center of the joint distribution, the Frank copula can be used to specify these features. However, if the dependence is asymmetric and strongest in the negative (left) tail of the joint distribution, the characteristics are captured by the Clayton copula. Finally, if the dependence is asymmetric and strongest in the positive (right) tail of the joint distribution, the Gumbel copula should be considered.

#### Data description

Stock volatility reflects the degree of variation of stock prices over a certain time period. There are several types of volatility. The most basic one is the actual historical volatility, which refers to the standard deviation of stock returns over a certain period. In this paper, we adopt the concept of annualized realized volatility (RV) which is calculated from the sum of squared daily returns during a month (Zhang, Taylor, & Wang, 2013), such that

$$RV_t = \sqrt{\frac{252}{n} \sum_{i=1}^n R_{ti}^2},$$
 (3)

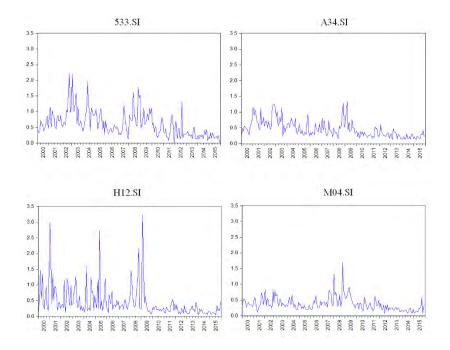
where  $R_{ti}$  is the stock return in the *i*th day of the *t*th month and n is the number of trading days in *t*th month.

The hospitality industry is defined as collection of business providing accommodation, catering (food and beverage) and leisure facilities and services, which includes but not limited to hotels, resorts, restaurants, clubs, casinos, cruise ships and theme parks. We examine all the hospitality stocks listed in the Singapore Stock Exchange from January 2000 to December 2015. The daily stock returns are calculated from daily prices before the monthly volatility series corresponding to each stock are generated based on Equation (3).

Our dataset comprised volatility series of four hospitality stocks, and they are: ABR Holdings Ltd (533.SI), Amara Holdings Ltd (A34.SI), Hotel Royal Ltd (H12.SI) and Mandarin Oriental International Ltd (M04.SI). Among the four, Hotel Royal Ltd and Mandarin Oriental International Ltd are international investment holding companies which own and manage hotels and residences. ABR Holdings Ltd, together with its subsidiaries, manufactures ice creams and operates through restaurants, confectionery, and other related segments. Amara Holdings Ltd is also an investment holding company. It engages in hotel investment and management; property investment and development; and specialty restaurants and food services businesses. Figure 1 shows the realized volatilities of the stock returns. Compared with the past, the level of volatility seems to be relatively low for each stock in recent years.

We split the data for each volatility series into the estimation period (from 2000M1 to 2012M12) and the validation period (from 2013M1 to 2014M12). We use the data from the estimation sample to specify the copula and the benchmark models. With the specified models, we generate 1-, 6-, 12-, 18-, 24-month-ahead forecasts using the recursive windows forecasting technique. The forecasts will be compared with the data in the validation sample.

The aforementioned five copulas are used to approximate the serial dependence structure of return volatilities. It is expected that the appropriate specification of serial dependence can improve volatility forecasting. The AR(1) and ARMA models are employed as the benchmarks for purposes of comparison.



### Figure 1 Realized Volatilities of Stock Returns

# Empirical findings

Prior to the analysis of the serial dependence structures, we examine the stationarity, distribution and Markov property of the volatility series. The Augmented Dickey-Fuller (ADF) test results in Table 1 demonstrate that the HSRV series are stationary.

Table 1 Unit Root Tests for Hospitality Stock Return Volatility

Stock Retu Volatility Series	<sup>Irn</sup> ADF Statistic (Level)
533.SI	-7.098***
A34.SI	-4.446***
H12.SI	-6.220***
M04.SI	-7.927***

\*\* indicates results are statistically significant at 0.01 level;

\*\*\* indicates results are statistically significant at 0.001 level.

Previously we have mentioned that the copula method allows time series variables to follow arbitrary distribution, which refers to the marginal distribution, to distinguish it from the joint distribution. We can use the chi-square test to reveal if the normal distribution assumed in the traditional forecasting methods is reasonable for the volatility series under study. Some alternative distribution, such as Burr distribution, could be more appropriate. The null hypotheses for the chi-square test are:  $Y \sim Normal \text{ or } Y \sim Burr$  (in which '~' denotes 'is distributed approximately as').

If the test statistic is smaller than the critical value, the null hypothesis is accepted and the volatility series probably follows the corresponding distribution.

The chi-square results in Table 2 show that the test statistics for normal distribution are always larger than the critical value at the 0.05 significance level. Evidently, the normality assumption in the traditional forecasting methods is not appropriate for the volatility series. On the contrary, Burr distribution possesses smaller test statistics than the critical value for all the series. Thus, we select Burr distribution as the approximation of the stock return volatility distributions to generate the cumulative density  $u_t$ .

Chi-Square Test Statistics Serial Correlation Te			rrelation Test			
Stock Return	Specified Distribution		Critical Value	LM(12) <sup>a</sup>	P-value	
Volatility Series	Normal	Burr	α=0.05			
533.SI	15.719	5.650		16.625	0.164	
A34.SI	22.501	5.885	14.067	13.657	0.323	
H12.SI	61.970	5.322	14.007	9.858	0.628	
M04.SI	36.462	10.618		14.959	0.244	

Table 2 Chi-Square Tests for Distributions and LM Test for Serial Correlation

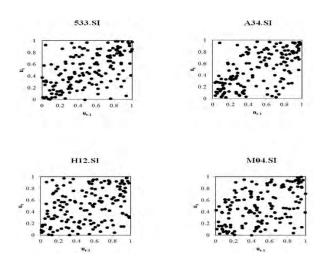
Note: <sup>a</sup> Include 12 lags for monthly data.

To examine the Markov property of each series, we can conduct diagnostic checking on the residuals for serial correlation using the Breusch–Godfrey LM test. The null hypothesis of the LM test is that the residuals are not correlated. According to the results of the LM test in Table 2, the AR(1) residuals are not serially correlated for all the series, as the p-values of LM statistics are greater than 0.05. This indicates that the volatility series are first-order Markov processes.

# Dependence analysis & copula specification

An initial insight into the serial dependence structures of the stock return volatilities can be obtained from the scatter plots of the cumulative densities generated for the volatility series under study. The scatter plots in Figure 2 indicate that the stock return volatilities exhibit diverse serial dependence structures. In general, all the series seem to show symmetric dependence structures; A34.SI has fat tails, while the tail dependence of the other series is not so apparent. Accordingly, it is not appropriate to use only one type of serial dependence specification, namely the linear structure, to construct models to forecast the stock return volatilities.





We use the  $S_n^{(C)}$  statistic to identify the possible copulas for dependence structure specification (Genest et al, 2009), and the log-likelihood (LL) values to select the optimal copula model for each stock. Evidently the four volatility series possess the symmetric serial dependence structure. Frank copula is a better choice for 533.SI, the Student-t copula fits the data better for A34.SI, while the Gaussian copula is optimal for H12.SI and M04.SI.

Table 3 presents the optimal copula for each stock and the association parameters ( $\theta$ ) generated from the optimal copulas. It can be seen that these parameters are all significant at 0.001 level. The positive parameter of 533.SI reveals positive dependence in the center, since the dependence structure of the volatility series is described by the Frank copula. This indicates that the positive association between current and next period/future return volatilities is stronger in the center than the association in the tails. For A34.SI, the tail dependence exists as the dependence structure is described by the Student-t copula. The positive association between current and future volatilities for this stock is stronger in both the left and right tails than in the centre. However, for H12.SI and M04.SI, the association is evenly distributed as their serial dependence structures are modeled by the Gaussian copula.

Table 3 Association Parameters of Optimal Copula

Stock Return Volatility Series	Optimal Copula	Association Parameter
533.SI	Frank	4.161***
A34.SI	Student-t	0.613***
H12.SI	Gaussian	0.380***
M04.SI	Gaussian	0.467***

\*\*\* indicates results are statistically significant at 0.001 level.

#### Forecasting comparison

The selected copulas are used to generate volatility forecasts for the 4 hospitality stocks, and we compare the forecasting results with those of the benchmark AR(1) and ARMA models. Both the AR(1) and copula models (k=1) contain the same lags of HSRV. The only difference between them is the serial dependence structures they specify. Another benchmark is the ARMA model, which is commonly used in forecasting research and practice. For each volatility series, the optimal ARMA model with no serial correlation is selected using Schwarz's Bayesian information criterion (SBIC).

Table 4 displays the out-of-sample RMSE results for the four volatility series. In general, the average RMSEs (in the last column of Table 4) show that the selected copula models outperforms the AR(1) and ARMA models in forecasting stock return volatility for 533.SI, A34.SI and H12.SI. The selected copula also performs better than the AR(1) model for M04.SI, but not the ARMA model. Detailed comparison of forecasting performance for the copulas and benchmarks has also been made at different forecasting horizons. It is evident in Table 4 that the selected copulas generate smaller RMSEs than AR(1) model at different horizons for 533.SI, A34.SI, H12.SI and M04.SI. The selected copulas also perform better than the ARMA models for the same except M04.SI.

Stock Return	M. J.I	Horizon						
Volatility Series	Model	<i>i</i> =1	<i>i</i> =6	<i>i</i> =12	<i>i</i> =18	<i>i</i> =24	Average	
	Frank	0.167	0.305	0.373	0.398	0.430	0.318	
533.SI	AR(1)	0.228	0.434	0.460	0.468	0.495	0.401	
	ARMA(1,1)	0.168	0.307	0.400	0.438	0.479	0.343	
	Student-t	0.116	0.202	0.228	0.227	0.229	0.185	
A34.SI	AR(1)	0.137	0.265	0.287	0.287	0.288	0.240	
	ARMA(1,1)	0.105	0.181	0.241	0.265	0.276	0.198	
	Gaussian	0.131	0.200	0.220	0.225	0.215	0.184	
H12.SI	AR(1)	0.241	0.333	0.361	0.368	0.356	0.315	
	ARMA(0,1)	0.270	0.334	0.362	0.368	0.356	0.321	
	Gaussian	0.120	0.183	0.198	0.204	0.196	0.161	
M04.SI	AR(1)	0.145	0.225	0.237	0.242	0.231	0.200	
	ARMA(1,1)	0.105	0.146	0.186	0.215	0.216	0.154	

Table 4 RMSEs of Copula and Benchmark Models: Comparison over Five Time Horizons

Note: RMSE = Root Mean Square Error.

#### Conclusion

When it comes to volatility forecasting, there are many practical applications, such as providing insight for market timing decisions, portfolio selection and asset pricing models (Brailsford & Faff, 1996). To balance the risk and reward for investors, volatility forecasting is

essential. The use of alternate approaches which encompass linear and nonlinear models continues to inspire researchers to perform better forecasting. In this study, we propose the copula approach to specify the serial dependence structures and make prediction on the volatility of returns for four hospitality stocks in Singapore. The goal is also to compare their performance with the AR(1) and ARMA models in volatility forecasting. As illustrated, the contributions of well developed copula methods have good prospects for the hospitality literature in volatility forecasting.

According to H. Chen, Wang, and Zhou (2014), corporate decisions on investment, cash savings, payout, and external financing are affected by economic risk as indicated by stock market volatility. If a hospitality holding company foresees a high level of economic uncertainty, it can cut investment, increase cash holding, reduce payout, and adjust its external debt or equity financing, in order to increase its financial slack for a possible downturn in sales, revenue or profit. A prediction of high stock return volatility also urges the hospitality holding company to reduce its leverage, improve internal liquidity, and increase debt maturity. Besides, our study benefits hospitality stock investors as it provides a useful tool to quantify the risk exposure in this type of investment. With the forecasting model proposed in this paper, the hospitality stock investors can anticipate the risk and correspondingly decrease their portfolio of risky hospitality assets in periods of high volatility.

#### Acknowledgement

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# 2008 ANALYSIS OF EFFECTIVENESS IN THE TURKISH BANKING SECTOR AFTER 2008 GLOBAL ECONOMIC CRISIS

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# Abstract

The crisis that started in 2008 on the mortgage lending market in the United States soon affected the whole world. It has caused the financial sectors of the countries to be affected, especially due to derivative products. Countries affected by the crisis between Turkey are also included. In this respect, Turkey is the performance of business in the banking sector, it is important to be examined starting from the post-crisis period. In performance and efficiency measurement, Malmquist total factor productivity calculation is an important method used to determine the success levels of businesses. In this method, a large number of input and output data are used. In this study the efficacy of business in the banking sector in Turkey Malmquist total factor productivity index is calculated through. In the study, data of seven enterprises were used based on 2008-2016 years. Deposit amount and operating income were used as input element. Total loans and operating expenses are used as output factors.

Keywords: 2008 Global Crisis, Malmquist-TFV Index, Activity Analysis, Turkish Banking Sector

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# ANALYSIS OF THE EFFECT OF TURKEY TOURISM RECEIPTS IN MEETING THE DEFICIT OF CURRENT ACCOUNTS: 2000-2007 PERIOD

#### Memiş KARAER

Alper Gedik\*\* Sükrü GÜVEN\*\*\*

# Abstract

Tourism sector has become an important economic sector all over the World especially since the beginning of the World War II. Tourism's gaining importance in Turkey and conduction studies on tourism sector are in the years after 1980s. It had been a sector which was not considered important heretofore. Tourism receipts in Turkey took attention with the realisation that tourism receipts had an efficient role in Gross National Product of world countries. Government grands and investments on tourism has been made. Tourism investments have accelerated with the observation that tourism provides important foreign currency inflow for the country economy. This study is conducted with the aim to analyse the effect of tourism receipts on meeting the deficit of current accounts in Turkey. In our study, theoretical framework on tourism receipts and deficit of current accounts are first discussed, literature review related to topic is made successively. Whether tourism receipts have an effect on meeting the deficit of current accounts in Turkey will be analysed in the years between 2000 and 2017 within the scope of datum obtained from Turkish Statistical Institute (TSI). The number of coming tourists to the country at increasing rate, the amount of foreign currency they leave behind, and effects of these receipts to export are examined in this study. Current account deficit has always become an important problem in Turkey. Tourism sector is one of the key components to meet this deficit.

Keywords: Deficit of current accounts, Tourism receipts, Turkey

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# COMPLEMENTING SUSTAINABILITY THROUGH GREEN MARKETING: FROM TOURISM OPERATOR'S PERSPECTIVE

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# Abstract

Green marketing (GM) as a catalyst to environmental management and sustainability practice in tourism is highly dependent on tourism organization's operational domain and boundaries. Tourism operators have greater propensity and capability to adopt GM in order to minimize system-wide environmental impacts. However, these processes and policies will remain a rhetorical jargon unless tourism operators are committed to greening their organizations and stepping beyond their boundaries. This research will try to illuminate the debate through an inductive qualitative methodology to measure the extant of tourism operator's behaviors and commitment regarding the environmental valuing and sustainability. It is assumed that sustainability as a holistic phenomenon can be achieved through various means and ways including investment, technology and behavioral changes. Numerous variables are focused both in the supply side and its link to the demand. This study applies Theory of Ecological Modernization (TEM) as a framework that has been utilized as a mechanism to guide the businesses and organizations towards sustainability.

For the purpose of this study, tourism operators and businesses in the case of north Cyprus have been investigated. Managerial implications for the tourism operators and public sector will be discussed.

Keywords: Green Marketing, Sustainability, Environmental Practice, Tourism Operators, North Cyprus.

#### Introduction

The conflation between sustainability, green marketing and tourism has been evolved into a highly discussed paradigm in the tourism literature (Jamrozy, 2007; Laheri et al, 2014; Weaver, 2014). The paradigm of sustainable tourism, Saarinen (2006) argues '...accounts for resource-based (e.g. impacts on natural and cultural capital), activity-based (e.g. growth and development of industry) and community-based (e.g. involvement of social capital in a local context) traditions' (as cited in Larson and Poudyal, 2012: 918). An earlier definition by Butler (1999: 12) reemphasized the natural resource protection by refereeing to sustainable tourism as tourism '...which is developed and maintained in an area in such a manner and such a scale that ...it

remains viable over an infinite period of time and does not degrade or alter the environment (human and physical) in which it exists'. Notwithstanding the contested nature of sustainable tourism and lack of precise operational guideline at various scales of tourism development, the incremental injection of sustainability into tourism businesses and ventures have been experimented and practiced in different destinations. Some authors contemplate that instead of indicting mass tourism as a culprit for being unsustainable, there should be an effort to reconcile the conflict between mass tourism and alternative tourism, and the latter considered to be sustainable. Therein, sustainable mass tourism is suggested

(Weaver, 2014). And/or, 'studies have identified that leisure [*tourism*] contributes to sustainability, albeit with differing levels of emphasis placed on the environmental, socio-cultural and economic dimensions' (Vaugeois and Parker, 2017:313). It is in this context that GM can be instrumental to initiate the processes of sustainability.

Nevertheless, sustainability in the context of influential Brundtland Report (WCED 1987), has permeated into almost every process of production and consumption as a dominant discourse (Hanna, 2005); more so in tourism (e.g., highly ranked journal of sustainable tourism and specialized field in sustainable tourism in academics are testaments). In the meantime, sustainability's birth was a reaction to a threat to the basics of ecological, social and economic welfare of the communities around the world (Soini, 2014). This study assumes that the reaction to these threats does not have to be grandiose; tourism operators and practitioners in combination with public sector, NGOs and communities, as well as, educational institutions collectively and individually have the potential to initiate the move towards sustainability. One way to achieve this is green marketing (GM). Inception of GM can take place incrementally as it encompasses various dimensions as elaborated in the forthcoming model in this study. Knowing the fact that the role of tourism operators and practitioners are paramount in this regard. Therefore, main research questions that emerge are:

- What is the state of mindset regarding the concept of GM among the tourism practitioners?
- What is the extend of commitment to involve in GM?
- What mechanisms are available for tourism operators/practitioners to entice them in this regard?
- What is the level of collaboration among tourism stakeholders towards invoking GM in the destination?
- What is the role of government or national tourism institution in GM?
- What is the role of media, NGOs, universities, and public at large regarding GM?
- Can GM be instrumental in enhancing the relationship between leisure/tourism and sustainability?
- What is the nature of sustainable marketing communication?

# Sustainability and Green Marketing

Discourse in sustainable tourism (ST) is vast and matured. This is due to the concept's discursive fluidity which 'excludes no one, environment, development, and social interests can all find

comfort in its vagueness, yet despite equivocation, the concept maintains just enough coherence to encourage discourse among diverse interests' (as cited in Hanna, 2005: 29).

The tourism sector has not been immune to the demands of sustainability school of thought as an approach to its planning and development which encompasses a spectrum of activities with environmental, social and economic impacts on the destinations with its devastating consequences in many cases (Bianchi, 2004; Higgins-Desbiolles, 2008). The political economy of sustainable tourism is complex and it is naive to assume that 'sustainable tourism development will automatically emerge by keeping alive some old traditions and cultural expressions' (Bianchi, 2004:497). In the meantime, sustainable development in general and sustainable tourism in particular are two sides of the same coin and are not mutually exclusive. In a way, sustainable tourism as a sectoral project and process need to be embedded in the context of sustainable development in a holistic manner. There are examples of destinations, which rejuvenated into a prosperous state of the economy; sustainable development played significant role in community cohesion around shared objectives and commitment to achieve them (Grybovich et al, 2011).

Sustainability is not a new idea; however, narrative of sustainable development should be understood in the context of challenges in modern and globalized world system. Over the past half a century, there has been an ever growing call for rethinking in how societies persist. One of the first and most cited global documents addressing such a call was the Brundtland Commission Report (WCED, 1987) that proposed an imminent need for sustainable development, defined as 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (as cited in Vaugeois et al, 2017: 298). The affinity between *sustainable development* and *sustainable tourism* are clearly crystalized in their definitions. both are calling for a type/form of development that does not compromise the needs of future generations which is possible if present form of development is respecting the integrity of environmental, social and economic resources (Castellani and Sala, 2010; Twining-Ward and Butler, 2002; WCED, 1987).

Perhaps it is time to take a leap forward and not to dwell on the concept's vagueness, rather develop mechanisms/approaches to start designing a pathway and moving in the direction of sustainability. Simply, there should be an emphasis on a trend to redefine strategies and organizational/institutional behavior change along the lines of sustainability (Beynaghi et al., 2016; Rezapouraghdam et al., 2017; 2018). As Soini et al (2017:1423) succinctly stated that 'sustainability [*not only should be seen*] as a component of education, research and innovation, but also [*it should become an instrument/mechanism*] for social learning process within and beyond academic [*arena*].

One of the obvious and highly affiliated construct of sustainability in tourism is GM in the context of green tourism, which is drawing the attention of marketers, environmentalists and corporations alike with growing academic research (Garg, 2015; Fuentes, 2014; Laheri et al, 2014). 'Consequently, business organizations have begun to integrate environmental concerns of the society into organizational activities resulting in the concepts like green design, green production,

green packaging, green pricing, green logistics, green promotion, green marketing, etc.' (Garg, 2015:301). Nevertheless, GM has also evolved since the first workshop on 'ecological marketing' organized by American Marketing Association (AMA) in 1975 (Henion and Kinear (1976). According to the AMA, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising (http://slideplayer.com/slide/6732489/). The evolution of GM has gone through stages from concern over environmental problems; shift to focus on clean technology and innovative new products; and finally culminated in its last phase which is 'sustainable green marketing' (Peattie, 2001; Laheri et al, 2014). Our motto in this study is that green marketing can be a tool for sustainability, especially in tourism and hospitality industry where the early myopic approach based on unleashed marketing (e.g., tourism first approach) (Burns, 1999), and hyperneoliberalism (Jamal and Camargo, 2017), which resulted in 'hallowing out' of stakeholders' participation in decision-making process.

At the end, GM is not by any means a deviation from conventional marketing in relation to its basic definition/tenet which is 'the interface between consumption and production'. And/or 'the management process responsible for identifying, anticipating and satisfying customer requirements profitably' (Rex and Baumann, 2007:268). In the interface between consumption and production, consumer's behavior toward green product has been consolidated in the context of green consumers in the marketplace (Ottman, 2011; Dangelico, 2010; Rex and Baumann, 2007). Green consumers/tourists have been consolidated which is manifest in the growth of Eco- tourists who are willing to pay a premium price for green tourism product (Meleddu and Pulina, 2016). 'The UNWTO (2012) predicts that ecotourism will grow rapidly over the next two decades and the global spending on ecotourism is expected to increase at a higher rate than the tourism industry as a whole (as cited in Meleddu and Pulina, 2016: 67).

# Green behavior-supply side?

This article explores the green behavior of the tourism firms who are directly involved in provision of tourism products and services. This approach has been conceptualized in the presented model (Figure 1) in the context of GM that can be implemented through environmental, social and economic considerations. Knowing that the supply side is responsible for destination's development (Gunn and Var, 2002). And their approach need to be situation centered (Bartholo et al, 2008).

As demonstrated in Figure 1, GM encompasses a broad spectrum containing storage, distribution, packaging, consumption, supply chain, advertisement, disposal...etc. Tourism operators/practitioners are in constant interaction with the tourists within the tourism interaction zone (mass tourism destination). And the nature of the interaction is highly characterized by their environmental policies, commitment and ethics. Through this process of interaction, the degree of GM practices can be measured, and challenges that these firms face can be explored.

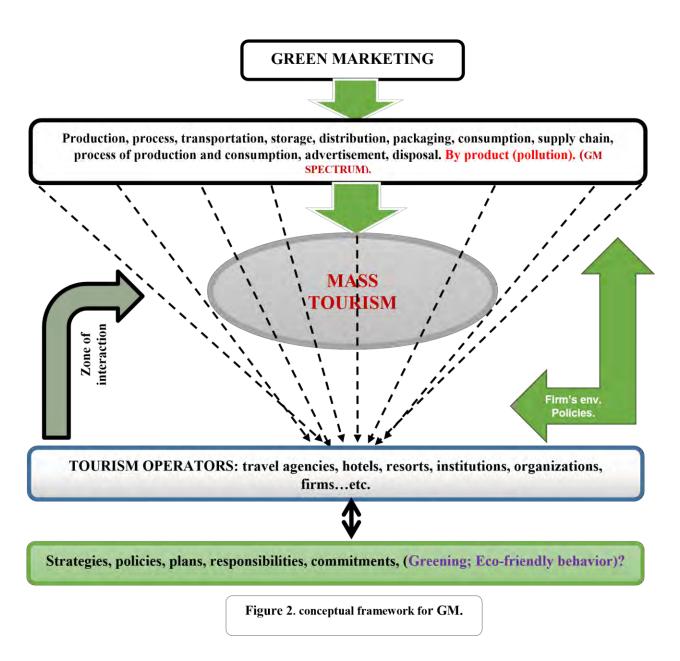
Studies have shown that firms' engagement with social initiatives (e.g., green marketing, publicserving motives...etc.) activate 'persuasion knowledge' among the consumers (Becker-Olsen et al., 2006; Forehand & Grier, 2003). The consumer's/tourists' persuasion knowledge plays a mediating role (Yoon et al, 2006) in affecting consumers to evaluate the firm favorably.

For instance, when a firm conveys a behavior (i.e., public-serving motive), for its energy conservation or community enhancement programs, consumers perceive firm's image in a positive way which is also a profit boosting for the firm. The best example is Toyota's pro-environmental moves that added 500 milling dollars to its profit margins just in 2006 alone (as cited in Raska and Shaw, 2012: 52). It is not a coincidence that 'the majority of Fortune 500 companies today are implementing business strategies focused on addressing social problems. One of the most prominent ways of doing so has been through the adoption of environmentally friendly practices' (Raska and Shaw, 2012: 40).

The tourism industry has not remained dormant when it comes to greening strategies. In fact, one of the most environmentally active sectors is tourism worldwide. Such behavior is manifested in conceptualization and implementation of sustainable tourism that encompasses numerous titles (e.g., responsible tourism, integrative tourism, balanced tourism, collaborative tourism, ecotourism, alternative tourism, participatory tourism, green tourism...etc.) (Mishra, 2016; Marsiglio, 2015; Bergin-Seers and Mair, 2009; Gunn and Var, 2002; Reed, 2000).

Nevertheless, the shift to a green behavior in the supply side of tourism not only is demanded by the

environmentally conscience tourists, rather because of measureable impact of the industry. 'However, if the impacts of all small operations are included, then the industry as a whole has a significant impact on environment. A closer analysis shows that tourism industry directly contributes to ozone layer depletion (refrigeration, air conditioning), water scarcity and pollution (bathing beaches, lakes), land degradation (loss of tourist sites) and air pollution (the world's most polluted cities are also important tourist attractions)' (Mishra, 2016: 133).



#### Green behavior-demand site?

The interface between green tourists and green tourism has been discussed in the context of whether firms' green behavior motivates consumers to become more environmentally apt or consumers' environmental awareness forced the firms to go green (Sheth et al, 2011; Luca and Suggs, 2010; Gunther, 2007). It is not the intention of this study to dwell on this discourse. Nevertheless, we are living in an era which the concept of sustainable development has permeated into every aspect of the society. And there is ample evidence of strive for its implementation through various means and approaches. Some scholars have philosophized the concept of sustainability with environment construct at its core, as the savior of civilization in the 21<sup>st</sup> century (Targowski and Celinski, 2013; Cullen, nd).

At any rate, green consumer/green tourist have become consolidated and active dimension of our societies today. Furthermore, green tourists, as Dolincar and Matus (2008) suggested, have become part of the marketing mix and posit a market segment. In fact, eco-tourism or sustainable tourism, to a large extend, is the outcome of pressure by the demand side (Dolincar and Leisch, 2008). Dolincar and Matus (2008: 318) stated that '…the entire ecotourism research area has contributed to our understanding of tourists who care about environmental preservation'. Laheri et al (2014:147) believe that 'witnessing the demand for eco-friendly products, many companies have turned green and started practicing green marketing strategies'. Some scholars went further and looked into the interface between spirituality and green consumption and green purchasing intentions as an evolutionary process that culminated in 'environmental consciousness, environmental motivation and love for the nature' (Sharma and Sharma, 2017: 204). Nevertheless, green consumption has affected the policy makers, especially in the developed world, and recently in the rapidly developing countries, to reform their approaches to the processes of production and consumption with added value by investment in green industry (Connolly and Prothero, 2008).

# **Theoretical framework**

The post 1960s environmentalism have generated various paradigms to explain and suggest pathways toward combating ecological challenges that resulted from rapid urbanization and industrialization of the postindustrial era. Roots (2008: 608) stated that:

'Certainly, environmental movements are the great survivors of the wave of new social movements that arose throughout the industrialized Western democracies from the 1960s through the 1980s. Moreover, in most industrialized countries, the public is more inclined to trust what environmental movement organizations (EMOs) tell them about environmental issues than what they are told by governments or corporations'.

Therefore, it can be argued that tourism operators at the local and regional levels have the capacity to commit to sustainability and environmentalism by various locally calibrated means such as GM. Testament to such local initiative is the support and involvement in environmental organizations and environmentalism by millions of citizens in Western industrialized countries (Roots, 2008; Brulle, 2000). In the meantime, the citizens' environmental activism has motivated the public sector and corporations to take environmental initiatives and pass legislations.

With the universalization of environmentalism, environmental institutions have moved from the margins of government and calling upon tourism practitioners and destination mangers to initiate their environmental commitments (Roots, 2008). However, this is not to say that tourism operators and practitioners are not involved in greening their business behavior, rather the aim is to explore the scale of their commitment to environmentalism, especially, in the case of an island state. In another word, for leisure and tourism agents to overcome the sustainability challenges, GM is a positive framework to face those challenges directly.

One area of environmentalism that has become institutionalized and play an important role in the political process is 'green parties'. Nowadays, green parties have a measurable impact on the political and social structures in Germany, France, Italy, Belgium and Finland. They have achieved representation in most European and Australian parliaments (Miragliotta, 2015).

Historically, environmental movements have been introduced as conservationism, preservationist, ecologism, environmentalism at certain point in time. These movements albeit their revised views were mainly concerned with preservation of national parks and campaigned for clean water, safe disposal of sewage and other waste, clean air, and better public health in the industrialized areas of Europe, the US and Australia. Eventually, with environmentalism on the rise and further awareness of ecological problems and establishment of sustainable development, new school of thoughts began to theorize the epistemology of Anthropocene with two broad camps: ecocentricism and anthropocentricism (Baker, 2016).

# Theory of ecological modernization (tem)

For the purpose of this study, the theory of environmental modernization (TEM) has been considered. TEM 'is currently the dominant environmental social science, environmental sociology, or environmental policy theory' (as sited in Korhonen, 2008: 1331). The theory's appeal, notwithstanding its critiques and in contrast to other environmental social theories (e.g., deep ecology), is in its rejection of 'fundamental reorganization of the core of institutions of modern society' (Mol and Spaargaren, 2000: 19). TEM is also a socio-economic as well as a political program that provides mechanisms (e.g., green marketing) as practical guide concerning environmental change articulated in the Brundtland Report (Mol et al, 2009). TEM which is emerged in Germany in the early 1980s articulated by Joseph Huber (1991/2009) into a social scientific theory that manifested in possibility of transforming 'the dirty and ugly industrial caterpillar into an ecological butterfly'- metaphorically speaking. Such a transformation does not need a radical social and political restructuring, rather ecological wellbeing can be achieved by scientific and technological innovation in the context of commitment to environmentalism among the functioning institutions. In MOI's (1995) words this process is ecological modernization which is 'irreversible and that the only possible way out of the ecological crisis is by going further into the process of modernization' (as cited in McLaughlin, 2012: 180). In this context, GM is also the process of modernizing the mind set from the traditional marketing.

Nevertheless, while sustainable development plays the role of guiding principle, TEM has the capacity to be a formula for change. And this can be realized in Gidden's (1998) articulation that 'partnership in which governments, businesses, moderate environmentalists, and scientists cooperate in a restructuring of the capitalist political economy along more environmentally defensible lines' (as cited in Burns, 2004: 29). Furthermore, TEM has evolved to focus on the role of 'agency'. And 'agency' defined 'as the human ability to project alternative future possibilities and then to actualize those possibilities within the context of current contingencies' (McLaughlin, 2012:184). Thus, tourism practitioners /operators, in either public or private sector, can adapt to the changes as universal necessity to contribute to the ecological restructuring of their businesses

as TEM is forwarded in a cultural or political frame. Such environmental reform is achievable through numerous approaches such as GM.

Mass tourism, by its nature, is based on 'treadmill of production' (Schnaiberg et al, 2002), and sustainable mass tourism has remained a theoretical hollow. However, in the context of TEM, Mol (2000) stated:

'In most developed countries, the processes of "ecological modernization" have begun to mitigate some of these processes of environmental degradation, partly through intrasocietal ecological modernization processes, and partly through developments at transnational levels, including scientific exchanges, non-governmental organization (NGO) collaborations, international conventions and treaties, sharing and copying of environmental laws and regulations, and the reactions of local and transnational corporations to increasing pressures from laws and from public scrutiny' (as cited in Li and Lang, 2010 :45).

Grounded in the quotation above, commitment to GM is possible if it is embedded in the institutionalization of ecological aim which is the core position of TEM.

# Methodology

This study has employed a qualitative research method which is suitable for this type of study as the intention is to explore the perception and behavior of the respondents; in the other hand, 'qualitative researchers study things in their natural settings, attempting to make sense of, or to interpret, phenomena in terms of the meanings people bring to them' (as cited in Guest et al, 2012: 3). This study aims to explore the level of commitment to and involvement in GM towards the sustainability of the destination. Around 10 respondents were approached based on purposive (i.e., researcher seeks out elements that meet specific criteria) (Blackstone, 2012) sampling which is within the non-probability sampling domain. All the respondents are tourism practitioners in north Cyprus. Respondents were selected from public and private sector that directly involved in tourism operation and development. The degree of communication and interaction among the key sectors pertaining the topic was an important construct in the study. See also Figure 2.

For an in-depth interview, about 14 semi-structured interview questions were administered in an open ended manner which is appropriate approach in inductive analysis (Guest et al, 2012).

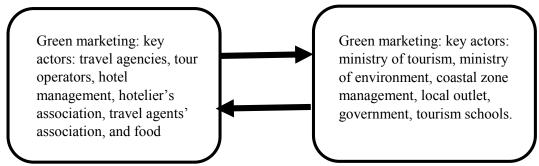


Figure 2. A framework of Green Marketing (GM).

Data collection achieved through interviews which contained textual and audio recording of the narratives expressed. The researcher's adherence to interview process in qualitative research is observed carefully. All the procedures to provide the respondents to express themselves freely was utilized. For instance, open-ended questions allow flexibility to interviewees to adjust the emphasis in the research as a result of significant issues that emerge in the course of interview (Brymann, 2016). In another hand, 'open-endedness allows the participants to contribute as much detailed information as they desire and it also allows the researcher to ask probing questions as a means of follow-up' (Turner, 2010: 256). The issue of confidentiality, especially for government officials was considered. to avoid bias, an iteration and deeply reflexive process was adhered to which is at the heart of visiting and revisiting the data. The role of iteration, not as a repetitive mechanical task but as a deeply reflexive process, is key to sparking insight and developing meaning. This process leads to refined focus and understandings. Another approach to bias mitigation in qualitative research is 'bracketing' which is 'a method used by researchers to mitigate the potential deleterious effects of unacknowledged preconceptions related to the research and thereby to increase the rigor of the project' (Tufford and Newman, 2012: 81).

# Data analysis

In qualitative research the process of data analysis begins with the inception of data collection (Rabeii, 2004). At any rate, all the in-depth interviews were audiotaped and complemented by textual recordings for further accuracy. Taking field notes also accompanied the interview process. Then responses were checked more than once by comparing textual and audio recorded responses for further refinement and accuracy. Transcription process followed the rules including preserving naturalness of the transcript structure, exact reproduction, independent of transcriber for the third party review (Mclellan et al, 2003). Although there are different approaches to data analysis in qualitative research, this study adhered to 'framework' analysis (Ritchie and

Lewis, 2003). which 'describe and interpret participants' views such as content and thematic analysis. As Smith and Firth (2011: 3) stated that in framework analysis:

'generating themes from data is a common feature of qualitative methods and a widely used analytical method. Thematic analysis is an interpretive process, whereby data is systematically searched to identify patterns within the data in order to provide an illuminating description of the phenomenon'. Nevertheless, the process takes place through five stages: familiarization; identifying a thematic framework; indexing; charting; mapping and interpretation. However, this study adhered to other distinctive aspect of framework analysis, which ... 'uses a thematic approach, it allows themes to develop both from the research questions and from the narratives of research participants' (Rabeii, 2004: 657). By far the coding and categorization are the crux of the qualitative research. Through the coding and categorization in relation to the themes, patterns will emerge. Finally, the interpretation of the outcome and emerging findings will result. For data analysis approach, see also Figure 3.

Unlike quantitative analysis, qualitative analysis occurs at the very beginning of data collection. Finally, the process continues to bear fruit by mapping and interpretation. The first theme/pattern that emerged from data on GM and sustainability was that respondents had a general awareness of the issue. This is understandable as the concept of environmentalism and sustainability has become a ubiquitous idea in most of the organizations and firms around the world (Ignatow, 2008), especially in destinations where tourism is a major sector. However, respondents had doubt about the implementation of approaches to GM and sustainability. Respondent 1, who is a tourism educator, shared that:

I am highly aware of significance of GM and sustainability, I know the significance of this issue for the future of tourism destinations and beyond; however, in my institution, there is no commitment by the management and have not seen any commitment to practical approaches to this aspect.

She added that:

I have suggested to have our own garden to grow organic produce, but I have not seen any positive response to this suggestion. Unfortunately, this is in other areas relevant to environmental protection and GM.

In her view, the overall lack of commitment to implementation of GM and sustainability in the organizational system is the main problem. The issue of commitment to sustainability has been elaborated by Lozano et al (2015) who believe that organizations, especially educational institutions are responsible to initiate and declare such commitment with implementation apparatus in place. From her responses it was obvious that initiatives regarding the GM and sustainability were not received positively by the administration of the organization.

Involving in GM and sustainability in the firm or organization can take different directions and approaches. It can take different forms and relationships. In this regard, respondent 2- a hotelier, a restaurant owner and parttime educator? Responded that:

The only effort that my firm has done is the instalment of solar panels. Other than that we have not taken any other action in regard to GM or sustainability. He continued that: unfortunately, our government is not promoting or incentivizing us to involve in other areas of GM.

One of the main players/partners in implementation of GM and sustainable development is government. As GM and sustainable development consider to be social, economic and environmental project, government has the capacity and resources to embark upon such public projects. As these projects are encompassing public goods characteristics, it is the core function of the government to involve and supply where market fails to be efficient (Anomaly, 2015). Respondents overwhelmingly expressed the lack of initiatives and commitment to

GM and promotion of sustainability by the government. They blamed the government's inertia and sluggishness in this regard.

Respondent 3-travel agency owner/manager stated that:

Unfortunately, the government has no policy in place to promote GM and sustainability. I have tried to set up an eco-tourism project, but could not get permission and support from pubic officials. Even when it comes to solar projects, which is beginning to take off in north Cyprus; big hotels and casinos do not have solar system in place. Government has special relation with power company that do not encourage having solar system in large establishments. This is a political issue.

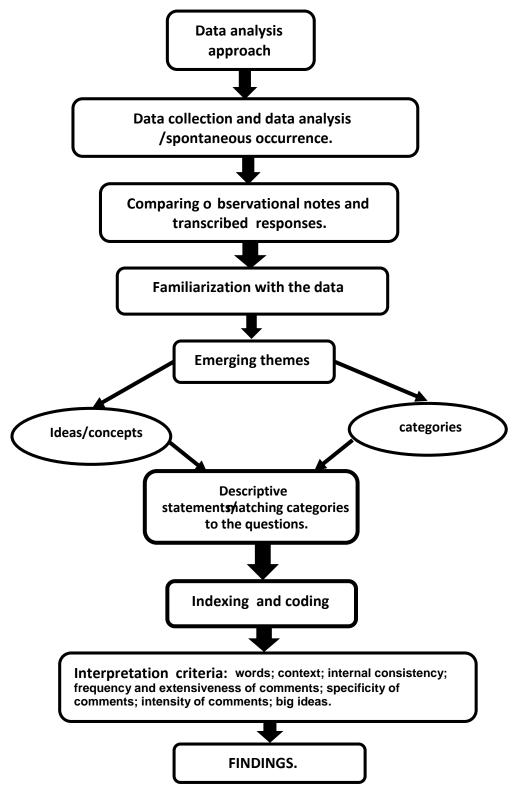


Figure 3. data analysis process. Adopted from Rabeii (2004).

Interestingly, study revealed that individuals and firms who are environmentally inclined and involved are highly sensitive and committed to GM and sustainability. They are people with environmental awareness and knowledge which consequentially behave positively towards implementing GM in their occupation as well as their businesses. Asilsoy and Oktay (2018) stated that environmental behavior is the major determinant of ecological citizenship. This is resonated with respondent 5, who has an eco-tourism establishment and respondent 6, who is an organic grower.

When asked whether they are involved in GM and sustainability through community and NGOs, respondent 5 expressed that:

I am always involved in GM and sustainability by careful monitoring of our processes of production and consumption in our Eco lodge. My employees are partners in this regard. We grow our own produce and our webpage advertise us as green lodge and establishment. I avoid advertising 3S tourism as I know tourists who will come here eventually they will explore our beaches. But my responsibility is to be green from A to Z.

When asked the respondent 6, who is an organic grower, he replied:

I am an environmentalist and I have been an active person. I am applying all the principles of GM and sustainability in my farm. Unfortunately, in our country, there are too much talk about this issue, but when it comes to action, no one cares. He continued by saying: there should be a nationwide strategy to deal with this issue. There should be education and laws in place. Otherwise, no one will care about GM.

His response resonates with what Burby (2003) reiterated in terms of lack of local support for environmental and land use projects due to 'not in my back yard' (NIMBY) attitude. Sustainability and GM principles require a collective action by the destination in a co-management context. In another word GM and sustainability requires social learning which is a major responsibility of the public sector to strategize this process.

One of the public sector institution responsible for environmental issues is the ministry of environment. In cooperation with the ministry of health, they monitor various stages of processes of production and consumption in north Cyprus. When asked respondent number 9, who was the manager of the local environmental office; 'what kind of measures/policies are in place to promote GM and sustainability in your institution? He responded that:

In relation to GM we do not have a clear policy in place; however, we have certain environmental regulations and we try to check various activities to make sure they do not violate the law. However, our laws are not updated and we need new amendments to the old laws to deal with new issues relevant to new challenges. Nowadays, there are numerous guidelines available that provide directions to achieve GM and sustainably. For instance, EU gives directions and guidelines to the member states and beyond to promote and implement environmental measures. North Cyprus has access and receives these directions; however, implementation of these guidelines is questionable. See also Table 1. As shown in Table 1, three scale items are constructed to interpret the responses. '*Maximum*' denotes the fair awareness of the topic and concept in theory. '*Minimum*' denotes minimal awareness and knowledge of the issues. '*Absent*' denotes complete lack of commitment and involvement in the issue.

#### Interpretation and conclusion

While sustainability as a concept has been consolidated within the development discourse, the debate is still going on how to operationalize it as a formula. However, in the context of tourism epistemology it contributed to tourism, especially in deciding on planning scales and policies that are relevant to tourism (Saarinen, 2018). Green marketing as a new approach to marketing in general has potentials to solve many challenges in the context of sustainability. GM can become the formula for operationalization of sustainable tourism if embedded in the process and practice of product –cradle to grave. The spectrum of GM (See also Figure 1), has the mechanisms and prone to efforts ranging from design and development, manufacturing, distribution, packaging ...etc. which can result in limiting consumption and waste (Gordon et al, 2011).

Table. 1. Data analysis matrix.

Interview Ouestions.	Categories/codes.	Emerging themes/patterns	Interpretation of quotes.	
1	General perception of GM/Sust/Env. Issues.	Maximum.	highly aware of environmental issue; however, minimal knowledge of GM.	
2	Inventory of the actions	minimal	low level of positive response	ons
3	Strategizing	absent	No involvement in the issue	retati
4	Empowerment	absent	No involvement in the issue	interp
5	Assigned person	minimal	low level of positive response	from
6	Internal communication	minimal	low level of positive response	racted
7	GM appraisal system	minimal	low level of positive response	as ext
8	Employee awareness/ knowledge	minimal	low level of positive response	Specific and big ideas extracted from interpretations
9	Relation with media	absent	No involvement in the issue	cific an
10	Website alert	absent	No involvement in the issue	Spee
11	Customer interface	absent	No involvement in the issue	
12	Mgmt./message/ performance	minimal	low level of positive response	
13	Community/NGOs interaction	minimal	low level of positive response	
14	involvement	minimal	low level of positive response	

#### Narratives:

In qualitative/interpretive approach *specific* and *big* ideas/concepts are revealed. For instance, most of the respondents were blaming the government for lack of involvement and promotion of GM. And/or, the measurable differences between eco- tourism operators and those who involved in mass/market oriented tourism. the former is highly aware of GM and the latter is complacent to the idea.

This study has been an effort to examine the tourism operator's awareness and understandings of GM, either in the public or private sector. In the case of north Cyprus as an island highly dependent on tourism and no access to expansive resources, sustainability is not something to be taken for granted. Study revealed that tourism operators are aware of environmental challenges and issue; however, have no ancillaries to guide and direct the industry towards the path to sustainable planning and operation of tourism sector. There is no planning system in place to apply regulation such as polluter pay's principles- among many other regulatory schemes- neither a comprehensive educational approach to administer social learning schemes among the tourism operators. most of the respondents blamed government for its lack of commitment to and encouragement of GM and similar practices. This is not unusual as in most of the developing economies people have a paternalistic perception of the government and blame all on the lack of initiatives and sustainable governance (Le Grand and New, 2015).

Study revealed that in the context of TEM paradigm, there is no co-creation among the educators, universities, government and industry on strategizing GM or sustainability frameworks. Except for those who have embarked on environmentalism, the state of GM is in a disappointing ground at this moment. The only area which initial efforts are at work, is the gradual increase in application and utilization of solar energy. But this is limited to households and small businesses. Unfortunately, the big accommodation establishments have not involved in this project and government's own power relation with power company has become an obstacle to this end. The only hopeful findings relate to those few individuals who have embarked on environmentalism on their own and tried to utilize the principles of GM without any encouragement from public sector.

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## FACTORS INFLUENCING CONSUMER HOTEL CHOICE AND ACCEPTABLE PRICE RANGE IN THAILAND'S HOSPITALITY INDUSTRY

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## Abstract

This research investigates quantitatively with a survey among 137 visitors to four and fivestar hotels in Thailand factors that influenced their hotel choice and perceived acceptable prices.

Key Words: 4-5 star hotels in Thailand, Van Westendorp's Price Sensitivity Measurement Model, Good-Value Price, Hotel Choice, Quantitative analysis of Customer Survey, Hotel Revenue Forecast

#### Introduction

This research investigates quantitatively via an online survey in Thai and English among 137 visitors to four and five-star hotels in Thailand factors that influenced hotel choice and perceived acceptable prices. Thailand's hospitality industry encountered various obstacles in the past few years, ranging from changing business mixes to hotel supply surpassing demand in some regions of Thailand and vice versa in others. Shared accommodation providers (such as Airbnb) offer often a price gap of 100% to 200% to traditional hotels and resorts in the country (CBRE, 2016). Trends in the hotel industry has been difficult to unravel. After a disastrous year 2014, caused by factors outside the control of the industry, the industry recovered in 2015. Occupancy reached heights exceeding 70% and revenue per available room (RevPAR) improved by 13.1%. Around 32.6 million international travelers visited the country in 2016, an increase of about 9% y-o-y. Therefore, the outlook for Thailand's hotel sector appears promising; however, is the lodging industry really smiling again in the country of smiles?

According to Sritima (2015), "the big problem is more low-quality tourists coming, and that is reflected by four- and five-star hotels being unable to increase room rates". Moreover, an increased presence of online travel agencies might make it more difficult for other businesses to succeed (Sritima, 2016). Sritima (2016) cites also factors like "terrorism, political instability, unrest, natural calamities as well as aviation security" and on top of that, "human" issues such as generational change and labor shortages.

ARR is one of the key elements in the hotel industry, and with low ARR in some regions of Thailand, some hotel managers' opinions are divided if current low rates should either be increased or be kept low to achieve a competitive advantage in the industry. On one hand, hotel demand in Bangkok exceeded supply, but then again sometimes there seems some downward pressure on rates in certain regions (Chaisiriroj & Bock, 2017; van Straten, 2017)

#### **Literature Review**

This research focuses on three related objectives: factors influencing consumer hotel choice, traveler's acceptable price range of 4- and 5- star hotels in Thailand, and an indication on hotel revenue. "Based on our sample of 4- and 5-star properties, in 2015 the average daily room rate (ADR), excluding tax and service, was 2,910 Thai baht (85 USD). ADR across 5 star properties was 3,642 Thai baht (106 USD); with 4 star hotels seeing an average of 2,468 (72 USD)." (Grant Thornton Thailand Survey, 2016) A star rating can be an important factor for guests when deciding on booking a hotel room. According to Ogüt & Tas (2012), star ratings are able to provide an advantage of differentiation to hoteliers as ratings offer an indication of intrinsic value. Research firms such as comScore & the Kelsey Group (2007) stated in their U.S. based study that consumers are willing to pay 38% more for five-star hotel service than for four-star hotel service. However, star ratings might differ by continent, or even by country, due to different interpretations in the hotel industry. As a result, a four-star hotel in Europe could receive a five-star rating in Asia, or the other way around. For that reason, there are established national or regional organizations that set hotel standards. In Thailand, the Thailand Standard Hotel Foundation is the only organization that can decide which rating is assigned to each individual hotel or resort. Their Thailand Standard Hotel Directory (2011) describes four-star hotels as comfortable, large and proper venues that provide higher than average service. Typically, four-star hotels are located around major attractions, dining or shopping zones, and provide nice and pleasant furnished rooms with various facilities such as several restaurants, a swimming pool, a fitness center, and meeting rooms. Furthermore, services like room service or laundry services are available and there is a choice of hotel amenities for every guest. Five-star hotels and resorts come with all the attributes of a 4-star hotel, but on top of that they deliver more high-end and personalized service, with a stylish, elegant and luxurious room furnishing, gourmet dining restaurants, and bars.

According to Chen & Jones (2011), guests use a two-stage hotel selection progression deciding to book an accommodation online. They first establish a consideration set, followed by a smaller choice set. Different aspects and features of the hotel or resort and the scope of the hotel market itself affect these sets. However, researchers still do not agree on which factors are paramount in influencing consumer hotel selection and price ranges. Furthermore, hotel choices might also be influenced by gender, age, income and even purpose (e.g. leisure, business, etc.). Studies from Lewis (1984), Knutson (1988), Ananth, DeMicco, Moreo, & Howey (1992), Hart (1993), McCleary, Weaver & Lan (1994) and Callan & Bowman (2000) identified several attributes that can affect hotel selection and decision making. Lewis (1984) determined attributes of three different areas: hotel selection, hotel stay, and perceptions. As a result, the study came up with 66 attributes, reduced to 17 characteristics to make the analysis more manageable. Ananth, DeMicco, Moreo, & Howey (1992) evaluated 57 hotel variables that guests might consider when selecting a hotel, including such factors as good value for money, a swimming pool, breakfast, and so forth. Callan & Bowman (2000) rated 38 factors on their importance when choosing a hotel

accommodation. According research by the Global Market Metrix Hospitality Index (MMHI) in 2013, location is one of the top factors when deciding to book a hotel accommodation, followed by price. Research firms such as comScore & the Kelsey Group (2007) stated in their U.S. based study that 87% of hotel users were influenced by hotel reviews while making their hotel accommodation purchasing decision. This research also detailed that around 40% of survey participants that used hotel online reviews stayed at one of the reviewed hotels. However, studies from Myers & Alpert (1968) and Belonax & Mittelstaedt (1978) mentioned that in general a customer's decision is focused only on a small set of variables instead of choosing from many factors, as the human brain needs to shorten the decision-making process via bounded rationality and satisficing (Simon, 1982). Reasonable cost or price, location, security, star ranking, service, hotel amenities and status were considered main factors in selecting a hotel accommodation.

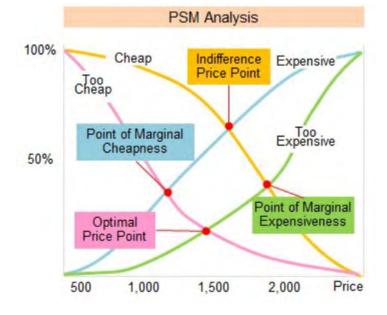
As price is an important indicator in the lodging industry, this research paper will not only focus on several consumer hotel choice variables, but it will also research travelers' acceptable price ranges when deciding to book a hotel accommodation in Thailand. Price can be defined as the value to the purchaser of a product or service and is comprised of a set of attributes that includes exploration, risk consideration and thoughtful knowledge of a product or service. Price can be more specifically defined as the amount of money that customers are willing to give up in order receiving benefits from a product or service.

Many factors influence price in the hotel business and value for money is closely linked to perceived quality, expectations, and customer satisfaction. A guest will agree to a specific price when the value of the product or service matches the price tag of this product or service. A complication is that demand is comes from domestic and international travelers with different backgrounds. External factors are, for instance, customer demand, pricing of competition, guests' perceptions, environmental issues and political issues. Internal values are, among many others, a firm's goals, expense management, marketing mix, and quality management. As guests' perceptions differ tremendously, hoteliers have to evaluate carefully when setting the price for a hotel accommodation. (Plessis & Saayman , 2011).

Various firms still base changes in their pricing not on predictions or expectations of the consequences of a changed price, but on customer reaction after the change occurred. Some traditional companies still follow a product-led pricing strategy instead of a customer-led pricing one. Some companies that used product-led pricing encountered issues, as price was set before customer value was recognized. Different strategies exist, like demand-based pricing, pricing according to distribution strategy (sales channels), dynamic pricing (aiming to have a profit at all time), open pricing (flexible pricing), and static pricing (fixed price year around). It seems that there is at least a trend to shift pricing strategies to customer-led pricing. This article will discuss one way the view of customers can be analyzed.

Price ranges were first explored by Gabor & Granger (1966). A price is both an indicator of cost and an indicator of quality in the consumer's view. Their work considered upper and lower limits to a possible purchase. Any price that exceeded the upper price limit would be labeled as too expensive and a price below the low limit would be a signal of too low quality. Van Westendorp (1976) extended this in his Price Sensitivity Model (PSM) (not to be confused with price elasticity). To establish price sensitivity, potential consumers are being asked the following questions:

- 1) *(Too cheap price):* At what price on the scale do you consider the product or service too cheap, so cheap that you would question the quality?
- 2) *(Cheap, Good Value)* At what price on the scale would you consider the product or service to be a bargain?
- 3) *(Expensive)* At what price on the scale do you consider the product or service to be expensive
- 4) *(Too expensive)* At what price on the scale do you consider the product or service to be too expensive, so expensive that you would not consider buying it?



*Figure 1* van Westendorp's Price Sensitivity Model

The Van Westendorp's price sensitivity "price map" shows on the x-axis the range of acceptable prices for a product. The y-axis represents the cumulative percentage of respondents. Bv construction, the "too cheap" line is to the left of the "cheap" line and the "too expensive" line is to the right of the "expensive" line. Any prices that are lower or higher than the "too cheap" and "too expensive" line will be not considered by the indicated percentage of consumers. A few researchers, such as Grigsby (2015), argue that the optimal price point (OPP) might be debatable, however the general idea is

that an equal amount of respondents believe that a product is either "Too cheap" or "Too expensive", therefore it is the point where purchase resistance is the lowest, hence the most optimal yield.

Prices should lie in the Range of Acceptable Prices, otherwise there is not an optimal amount of demand. The yield can be calculated if at every price the probability is known that a customer will actually make the purchase (Salamandica, Alijosiene & Gudonaviciene, 2014) Note that costs for the company, for instance advertising to justify a higher price, can be variable and dependent on the sales price. Therefore, the OPP is not automatically also the point of the highest profit.

While the validity of the PSM has been debated in the literature, Lewis & Shoemaker (1997) stated that the price sensitivity measurement model might not be 100% valid; however, it is very useful when determining an acceptable price that is based on a consumer point of view rather than on product cost. Taco Bell has used it successfully in 1988. By evaluating consumer opinion, Taco Bell could define an acceptable price range, establish a price that was still within their quality standards, and generate a profit.

Following Lieberman (2015), researchers can then draw expected or likely revenue curves when they "compute the penetration of the service at important price points by dividing the number of people who expressed interest at each level by the sample size and then calculate the revenue per every 100 customers by multiplying the price by penetration by 100". The PSM questions were adjusted as follows to the hotel industry, and conjoint questions about the likelihood to purchase were added, following (Salamandica, Alijosiene & Gudonaviciene, 2014):

At what price on the scale do you consider a 4- and 5-star accommodation a good value? (Cheap)

• Conjoint Question: How likely would you book a room at this good-value price?

At what price on the scale do you consider a 4- and 5-star accommodation to be getting expensive, but you would still consider booking it? *(Expensive)* 

• Conjoint Question: How likely would you book a room at this more expensive but still for you affordable price?

The conjoint likelihood questions were not formulated for a specific timeframe, and therefore the revenue estimate is not for a specific timeframe. The conjoint questions provide a lifetime estimate of revenue from the sample group for a one-time return. The justification for these conjoint questions is that the chance that a previous visitor to Thailand returns to Thailand depends on factors outside the control of the hotel industry to influence, and an accurate prediction is difficult even for the respondent. However, the stated conjoint questions provide still informative information about the influence of the price on the likelihood to book.

Besides those pricing questions, the survey also took into account a large number of features that are known to influence booking decisions. Questions were asked about age, income, education, previous experiences with 4 and 5 star hotels, facilities, services, amenities, location, hedonistic aspects, unique selling points, loyalty and green programs, competitors, online reviews about quality, if the hotel was associated with a chain, prepayment against no prepayment, and free cancelation options.

## Hypotheses

According to Ananth, DeMicco, Moreo & Howey (1992), the importance of price in the lodging industry is not significantly different amongst diverse age groups. However, it is generally assumed that younger travelers are more price sensitive than mature travelers are, as it seems plausible that younger travelers have a lower disposable income than mature hotel guests do. Guillet, Guo, & Law (2015) agreed with this assumption and classified generation Y travelers (18 to 35 years old) as price sensitive. If lower income travelers are more price sensitive, they will have a higher tendency of choosing to book an accommodation with a 4-star rating rather than a 5-star rating. Petrick (2005) (as cited in Öğüt & Tas (2012)), stated that less (high) price sensitive consumers generally select high (low) star hotel accommodation. In addition, there are also some hotel features or amenities that might be more important to younger hotel guests than to more

mature travelers when deciding in purchasing a hotel accommodation, like sports accommodations. The following hypotheses were tested:

H1: There is a significant difference in frequency of staying in 4- and 5-star hotels in Thailand between generation Y and generation X.

H2: There is a significant difference in consumer price ranges between Generation Y and Generation X.

H3: There is a significant difference in importance of hotel features between Generation Y and Generation X.

H4: There is a significant relationship between price ranges, prosperity and the preferred choice between 4 and 5 star hotels.

Men and women might have different opinions which hotel factors or features influence their final accommodation booking decision in 4 and 5 star hotels or resorts. McCleary, Weaver, & Lan (1994) found that women who travel for business, take hotel safety measures, low price, and more personalized services more into account than men. Furthermore, women traveling for business attach presumably more value to their overall accommodation booking when necessary amenities (e.g. hair dryers, iron and ironing board, room service and bathrobes) are offered.

H5: There is a significant difference in consumer price ranges between male and female travelers

H6: There is a significant difference in importance of hotel features between men and women.

Generally, traveler's value, quality and price are connected with each other when deciding to book a hotel accommodation. Therefore, one expects the following hypotheses to hold:

H7: There is a significant relationship between quality, value and acceptable prices when purchasing a hotel accommodation.

H8: There is a significant relationship between likeliness to stay in a more expensive hotel and impressing other people with their hotel choice.

## Methodology

In the survey, respondents were presented with vignettes describing 4- and 5-star accommodations to ensure that respondents had a correct recollection of the amenities and characteristics of 4 and 5 star hotels and of the differences between the two. They were asked structured questions about demographics, purpose of stay in the last visited 4 or 5-star hotel accommodation, channel of booking and their behavioral (intention of returning) and affective (willingness to recommend to friends and family) loyalty to a particular hotel provider. Questions also probed acceptable room rates for 4 and 5 star hotels and the respondents' willingness to book the hotel. See the literature review and hypotheses for a more detailed overview.

The online questionnaire was designed and distributed in a Thai and English version electronically via the Qualtrics tool. The targets were foreign and Thai travelers that stayed in 4- and 5-star hotels in Thailand. The sample was obtained by snowball sampling. In this technique, also referred to as chain referral sampling, respondents are requested to forward the questionnaire to other individuals with the same characteristics and interests. Respondents were recruited through mail or via social media, including Facebook and LinkedIn. Participants needed to provide consent and state that they were 18 years or older. Further there was no selection or exclusion on the basis of gender, race, nationality, education, religion, etc. As an incentive, respondents could opt-in to participate in a raffle and have a chance of winning a restaurant voucher by providing their email address at the end of the survey. The research was approved by the IRB board of Webster University in St. Louis, MO, USA.

#### **Results and discussion**

Distribution of Respondent Monthly Income									
Salary/Month	Frequency	Percent							
285 USD - 1,400 USD (10,000 baht- 50,000 baht)	38	27.7							
1,401 USD - 2,800 USD (50,001 baht- 100,000 baht)	43	31.4							
2,801 USD - 4,200 USD (100,001 baht- 150,000 baht)	28	20.4							
Above 4,200 USD (150,000 baht)	25	18.2							
Total	134	100.0							

Table 1 Distribution of Monthly Incomes among Survey Respondents

There were 70 female respondents (51%) and 67 male respondents (49%) (total N=137). 65 respondents (55%) were between 18 and 35 years old, "younger travelers", "Generation Y", and 62 (45%) were 36 or older, "mature travelers", "Generation X". Of the mature respondents only 7 (5.1%) were 56 to 65 years old, and none were older. Because the survey was distributed in Thai and in English, many respondents were from Thailand (72, 52%). The second largest group was from Europe (28%). British and French nationals formed each 22% of the group of Europeans and Germans 16%. Up to a certain degree, this matches the distribution of visitors to Thailand. International visitors are mostly from East-Asia, but our sample contains Thai national visitors instead Chinese international visitors. The second large group is from Europe, just like in this sample (data collected in Tourism in Thailand (n.d.) from information from the Thailand Ministry of Tourism & Sports). Only 6 (4%, N=137) had not completed college. Of the others, 67 (48.9%) had as highest education a bachelor degree, 57 (41.6%) a Master's degree, 4 (2.9%) a Doctor's degree and the rest, 3 (2.2%) a vocational or professional degree. 95% of the

*Figure 2* Ranking of importance of aspects of 4-star hotels

Rank	General Items -4 Star						45	star						
1	Convenient Location													
2	My stay should be joyful, fun, happy, and pleasant	4.3 Ŧ	4.1	10										
3	Previous experience with hotels in this 4 star class	+	Ŧ	4.0 E	3.9 I	3.9 Ŧ	3.8 •	3.8	3.6	3.6	3.5	3.4		
4	Photos/videos posted online								-		ž	Ŧ	3.1	
5	Online reviews from other websites (e.g. Booking.com, <u>Agoda, Pantip</u> , etc.)											-	Ŧ	
6	Online posts and reviews on TripAdvisor													
7	Free cancellation option within a reasonable timeframe													
8	Official hotel ratings score (e.g. 4 or 5 Star)													
9	Hotel Image (impress other people, attract people's attention)													
10	Hotel that provides a unique experience	1	2	3	4	5	6	7	8	9	10	11	12	
11	Hotel is associated with a chain													
12	Green (environmentally-friendly) programs			1	Mea	n								

Scale: Not at all Important = 1, Slightly Important = 2, Moderately Important = 3, Very Important = 4, Extremely Important = 5

Figure 3	Ranking of	f importance of	f aspects of	5-star hotels

Rank	General Items -5 Star												
1	My stay should be joyful, fun, happy, and pleasant						55	tar					
2	Convenient Location	4.4	12										
3	Previous experience with hotels in this 5 star class	Ŧ	4,5 I	4.1 重	4,0 I	3.9	3.9	3.9	3.9	3.8	3.7	3.6	
4	Photos/videos posted online				*	*	1	•	*	<u>\$</u>	Ŧ	7	10
5	Hotel Image (impress other people, attract people's attention)											Ŧ	3.2 E
6	Online reviews from other websites (e.g. Booking.com, Agoda, Pantip, etc.)												
7	Online posts and reviews on TripAdvisor												
8	Free cancellation option within a reasonable timeframe												
9	Official hotel ratings score (e.g. 4 or 5 Star)												
10	Hotel that provides a unique experience							-					
11	Hotel is associated with a chain	1	2	3	4	5	6	7	8	9	10	11	12
12	Green (environmentally-friendly) programs				• M	ean	C.		6				

Scale: Not at all Important = 1, Slightly Important = 2, Moderately Important = 3, Very Important = 4, Extremely Important = 5

respondents reported that their income came from salary. Table 1 (N=134) indicates the frequency distribution of income. For comparison, Thailand does not report median income, but average

income in the country was less than 14,000 Baht/month in 2016. The respondents are clearly affluent.

Differently as maybe expected, most respondents (115, 83.9%) who had visited a four- or five-star hotel were leisure travelers and only 19 (13.9%) were business travelers (N=137). Three mentioned "other" purposes for their stay to a four- or five-star hotel. Business travelers were included in the statistical analysis because relationships between constructs are still supposed to hold. In addition, their answers were generally not very different from those from leisure travelers.

Respondents indicated their importance when reserving an accommodation, therefore implicating which factor could influence their hotel choice and final decision-making process. Hotel Image is the main difference in the ranking of importance between four and five star hotels. It scores considerably higher for five-star hotel bookings than for four-star hotels. It is probably a fair conclusion that survey participants are indicating that they want to appeal to other people when booking a five-star hotel and impress them.

Online reviews from websites like Booking.com, Agoda or Pantip are slightly higher rated than TripAdvisor reviews on the respondent's importance scale, despite TripAdvisor considering itself as the world's largest site for travelers to write reviews. Maybe participants found it simpler to read reviews and simultaneously book a hotel room at these websites. Another reason might be that 72 respondents were Thai citizens, and Pantip.com, a Thai website similar to TripAdvisor, is a very common destination for Thais for hotel (and other) reviews.

In some respects, there was a significant difference between generation X and Y travelers. Generation X had stayed significantly more, on average, in five-star hotels than generation Y, as found in a T-test. Generation X had stayed on average somewhat more than five time in a four-star hotel and on average around five times in a five-star hotel in the last three years. On the other hand, in the last three years generation Y has stayed between three and four times in a four-star hotel and around three times, on average, in a five-star hotel. Averages are skewed by the 20% of the respondents who had visited a four-star hotel more than 10 times in the last three years and the 15% who had visited a five-star hotel more than 10 times. This reflects the way the sample was selected. The target was at the start a number of affluent people who were known to the primary researcher as heavy travelers, also in Thailand, and the snowballing occurred among a similar yisitors. Therefore, this research confirms hypotheses H1 and H2.

Both genders have similar answers to the question about 'too cheap' from the PSM for a 4- and 5star accommodation. However, female respondents indicated slightly higher price ranges than male participants regarding the 'good value', 'expensive but still affordable' and 'too expensive' value of a 4- and 5-star accommodation in low and high season in Thailand. This is in contradiction with McCleary, Weaver, & Lan (1994), who stated that women take into account low prices when booking a hotel accommodation. A possible explanation is the finding from the literature review that women care more about personalized services and various amenities. Women considered the following hotel factors significantly (via a T-test) of higher importance when booking a hotel accommodation. As General Items: Online photos and videos and green programs. For Amenities: special pillows, microwave, electric kettle, tea and coffee; hairdryer, toothbrush; shower caps, combs, and additionally for a five-star hotel, bathrobe and slippers. As Services: Concierge, Valet, and 24-hour Front Desk Service, and additionally for a five-star hotel: 24-hour Room Service. It is therefore plausible that women's price range is higher than men's, as female respondents seem to expect more value but are willing to spend more money for that.

A standard way to gauge the emotional attachment to a service or brand ("affective loyalty") is to ask if the respondent is willing to recommend the service or brand to other people who are important to the respondent. Significant correlations were found between the survey item about affective loyalty: 'often recommending the hotel where the respondent has stayed to friends', and the following items: 1) 'price of a hotel room is an important factor for judging the quality of the offering' (r=0.259, p=0.007, N=107). 2) 'price of a hotel room is an important factor for deciding to book or not' (r=0.320, p=0.001, N=109). 3) 'Loyalty programs make me more loyal to particular hotel chain' (r=0.430, p<0.0005, N=110). 4) 'I stay at a particular hotel because of their potential rewards (points, discounts, etc.)' (r=0.312, p=0.001, N=111). Therefore, loyalty programs indeed affect affective loyalty and make visitors more attached, but a perception of low prices also increases the likelihood of recommending.

The analysis of the questions relating to Van Westendorp's Price Sensitivity Model showed the following. The x-axis is the price for one night in Thai baht.



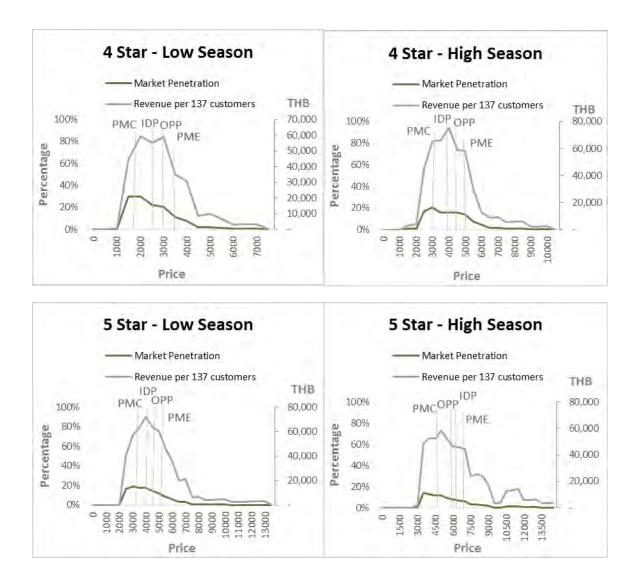
Figure 4 Analysis of survey according to the van Westendorp's Price Sensitivity Model



Lastly, forward regression analyses were carried out on variables construed by combining responses for star rating (4 and 5 star) and season (low and high), which is possible according to a factor analysis. The likelihood to stay in a hotel at a "good value price" is significantly influenced ( $R^2$ = 0.177) by the independents Q9\_good value price (B= -0.194, p= 0.002), by Q23 - How much is your Monthly Income / Allowance? (B= 0.176, p= 0.004) and by Q11\_ likelihood to search for a 'better option' (B= 0.193, p= 0.007).

The number of times that respondents stayed in a five-star hotel in Thailand during the last three years was also analyzed in a forward regression analysis. The main factors influencing this ( $R^2$ = 0.165) were as independents Q23 - How much is your Monthly Income / Allowance? (B= 0.528, p < 0.0005), by Q11\_betteroption (B = 0.517, p < 0.002) and by Q8\_toocheap were (B=0.359, p < 0.036), again confirming the function of staying in a five-star hotel as a signal for affluence. This research also found that the three most important hotel factors when booking a four- and five-star accommodation in Thailand were 1) convenient location; 2) the hotel stay should be joyful, fun, happy, and pleasant (hedonism); and 3) previous experience with such hotels. The least important factors included 1) a hotel's unique experience (e.g. theme, water park, etc.); 2) association with a hotel chain; and 3) green (environmental-friendly) programs. Respondents ranked factors by importance in a quite similar way between 4-and

*Figure 5* Revenue forecast for survey respondents for their next visit to a four-star and a five-star hotel



5-star hotels for amenities, services and facilities. Some important factors for respondents' hotel choice were personal care items, in-room WI-FI, 24-hours front desk service, swimming pools and dining options. Some low importance hotel features included microwave, ice bucket with ice, valet service and a business center. This data is reported in (Bauer, 2017). Here are also the other findings discussed in depth.

#### **Managerial implications**

Hoteliers need to be cautious before following the trend to offer lower rates. Room rates that are considerably lower than those of competitors will have an effect to lower RevPar, hence revenue performance will decrease (Hotelmarketing'com, 2010). It can also lead to a "Red Queen's race", a race to the bottom. Hoteliers of high-quality properties have to find a strategy that is not only dependent on the lower-spending market, but attracts different and higher quality tourists. Therefore, hotel managers should identify the kind of travelers they want to attract for their own hotel business, leisure or business, groups or individual, conference, weddings, etc.

This research also found that generation Y and generation X, and male and female guests, differ in their ideas of which hotel features are the most desirable, pointing to a need for specialization. Because there is sufficient choice of 4- and 5-star hotels in Thailand, it is useful to measure the overall consumer acceptable price ranges for these star categories. This research showed that 4star hotels could set their price above 50 USD (1,800 baht) in low season and even consider setting their price above 85 USD (3,000 baht) in high season. Moreover, 5-star properties can specify the room rate above 100 USD (3,500 baht) in low season and above 140 USD (5,000 baht) in high season. Therefore, hoteliers should be careful when driving room rates down, because customers might see the offered price as too cheap, and hence suspect that the offering is a low-quality product or service. The acceptable price range outcomes found here are in line with the data recorded from Grant Thornton Thailand Survey (May, 2016) that room rates at 5-star properties were 3,642 baht ( $\approx$  \$106) on average and at 4-star hotels 2,468 baht ( $\approx$  \$72) on average.

While it is important to keep operating costs to a minimum, it is even more important to satisfy the customer by listening to their needs and opinions, like attempted in this survey, in order to establish the right price point for the right customer at the right time. In that way, the lodging industry can provide permanent quality to satisfied guests.

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## AUGMENTED AND VIRTUAL REALITY IN CULTURAL HERITAGE: ENHANCING THE VISITOR EXPERIENCE AND SATISFACTION AT THE AREA PACIS MUSEUM IN ROME, ITALY

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## Abstract

The exploitation of innovative technologies, such as Virtual Reality (VR) and Augmented Reality (AR), opens up areas of thought that reshape museum managerial approaches. The interaction between visitors and cultural organisations permits the redesigning of museums as immersive site-visits and experiential learning co-creation.

This paper aims to contribute to the debate on the role of ICT in cultural heritage, analysing how VR and AR technologies enhance the learning experience co-creation in the Ara Pacis Museum in Rome, an iconic and historic museum recognised as an Italian best practice and adding value to digital cultural heritage. Findings and discussions confirm that AR and VR tools amplify the multi-experiential value in cultural heritage, providing integration between traditional cultural content and other experiences, like entertainment and learning. They also allow design scenarios in which AR and VR enhance opportunities for harmonising iconic museum content and innovative forms of experience. The conclusion suggests some theoretical and managerial implications and open avenues for future research.

Key Words: cultural heritage, augmented reality, learning experience, visitor satisfaction, Ara Pacis Museum

### Introduction

Academics and practitioners widely recognise that Information and Communication Technology (ICT) is one of the main drivers for tourism innovation, enhancing competitiveness of organisations and destinations (Buhalis & Law, 2008; Chen, Liu, Cheng & Huang, 2017) and presenting diverse opportunities, including the empowerment of visitors in the experience co-creation (Neuhofer, Buhalis & Ladkin, 2013).

The cultural heritage domain is exploring ICT and digital opportunities as a means of reshaping managerial approaches (Della Lucia, Trunfio & Go, 2017), considering that the interaction between visitors and cultural organisations, e.g. museums, and the co-creation of experiences represent one of the main challenges. Museums are shifting from an under-researched topic in tourism management (Siu, Zhang, Dong & Kwan, 2013) towards a new pattern in which the combination of consolidated and preserved knowledge, and new forms of entertainment, enables the 'museum' mission and its relationship with visitors to be reinvented.

The exploitation of innovative technologies, such as Virtual Reality (VR) and Augmented Reality (AR), opens up opportunities for the redesigning of museums as immersive site-visits and experiential learning co-creation. Museums around the world are investing in VR and AR, and are presenting unusual narratives and immersive, interactive content allowing visitors to create a personal experience while discovering new knowledge in an unfamiliar way; combining history and culture with innovative forms of entertainment.

This process nurtures traditional audiences and attracts new visitors. The overlaying of digital content onto real environment objects delivers accessible and understandable knowledge for both the expert and non-expert tourist through digital storytelling and immersive experiences, enhancing emotions and increasing visitor satisfaction (Chen et al., 2017; Dunleavy & Dede, 2014; tom Dieck & Jung, 2017; Garau, 2014; Jung & Han, 2014; Kalay, Kvan, & Affleck, 2007).

Considering the museum as an overall experience implies a shift from a management style based on historical collection preservation to a service marketing approach, in which the understanding of visitor behaviour, motivations, satisfaction and loyalty represents a priority defining possible future scenarios (Del Chiappa, Ladu, Meleddu, & Pulina, 2013; Laing et al., 2014; Sheng & Chen, 2012). The service marketing perspective enhances opportunities for entertainment and satisfaction of diverse typologies of cultural visitors, including those having restricted knowledge of specific museum cultural content (Del Chiappa, Andreu & Gallarza, 2014; Pallud & Monod, 2010; Tscheu & Buhalis, 2016).

Although scholars have investigated VR and AR in terms of user requirements, acceptance, intentions and visitor experience (Han, tom Dieck & Jung, 2018; Jung, tom Dieck, Lee & Chung, 2016; Rauschnabel & Ro, 2016; Tscheu & Buhalis, 2016), further academic exploration is required in the cultural heritage domain in order to increase empirical analysis underpinning the theoretical framework (Jung & Han, 2014).

This paper aims to contribute to the debate on the role of ICT in cultural heritage, analysing how VR and AR technologies enhance the learning experience co-creation in museums, improving entertainment and visitor satisfaction. A single case study analysis (Yin, 2014) gave exploratory insights, focusing on the Ara Pacis Museum in Rome, an iconic and historic museum recognised as an Italian best practice that adds value to digital cultural heritage. Findings and discussions confirm that AR and VR tools amplify the multi-experiential value in cultural heritage, providing integration between traditional cultural content and other experiences, like entertainment and learning. They also allow design scenarios in which AR and VR enhance opportunities for harmonising iconic museum content and innovative forms of experience. The conclusion suggests some theoretical and managerial implications and open avenues for future research.

### Theoretical background

Virtual reality and augmented reality in museums

Consolidated literature defines Virtual Reality (VR) and Augmented Reality (AR) as new ICT technology tools that combine virtual and real words with the use of a computer, smartphone, displays and smart glasses providing a multimedia representation of real-life or a past-event (Garau, 2014; Jung & Han, 2014; Tscheu & Buhalis, 2016; tom Dieck & Jung, 2017). Although AR and VR generate digital information, images and sounds, some differences emerge (Guerra, Pinto & Beato, 2015): AR is used to embed digital information in images, sounds and real-life contexts to amplify user information, while VR promotes a new mode of seeing the world through a simulation process of real-life.

From their first appearance in 1968, a large number of authors have conducted different studies on AR and VR characteristics in diverse sectors, including tourism and cultural heritage, studying user requirements, acceptance level, user intention, visitor engagement and experience creation. The goal was to understand how these tools enhance the process of action-simulation, immersion and experience co-creation (Garau, 2014; Tscheu & Buhalis, 2016; tom Dieck & Jung, 2017).

Applications in tourism and cultural heritage have shown different advantages and opportunities in tourist experiences, such as the navigation functions based on GPS technology, image recognition of historical buildings, scanning QR codes that provide representations of old events and explanations of their meaning (tom Dieck & Jung, 2017). All examples recognise a new interactive role in visit process. The use of AR and VR provides an overlay of digital content onto museum cultural heritage, promoting a new dimension of experiences and causing the smart and technological co-participation action of visitors and all organisational parts of the museum (Pallud & Monod, 2010; tom Dieck & Jung, 2017).

A recent analysis of experience co-creation in museums demonstrates how AR and VR enhance the value co-creation and visitor engagement (Conti, Pencarelli & Vesci, 2017). By exploiting the technology that uses a camera to provide real information about the environment, site or monument surrounding, and adding other digital and virtual information at the same time, authentic graphical content is displayed, giving more reasons to visit (Garau, 2014). Through the recourse to drawn maps, digital simulation and immersion, appealing graphics and audios, AR and VR facilitate enjoyment and emotional fruition to near non-expert visitors, reducing traditional risk and barriers that obstruct accessibility and information acquisition (tom Dieck & Jung, 2017).

Visitor experiences and satisfaction in museums

Museums that uses AR and VR tools for cultural heritage can be considered multi-experiential contexts, combining traditional cultural experience with other experiences such as socialising, entertainment, education, aesthetics and escapism, resulting in different levels of user participation and types of involvement (Del Chiappa et al., 2014; Pine & Gilmore, 1999). They reinforce the process of social interaction between museum users and the museum organisation activating new forms of value co-creation, challenges and opportunities of learning, contributing to the emergence of more experiential dimensions (Conti et al., 2017).

AR and VR tools in museums provide experience dimensions of a unique and memorable character. However, research to see how these tools provide experiences and satisfaction are limited, requiring the definition of museum experiential dimensions and critical factors that impact on these experiences in order to generate high levels of satisfaction (Jung & Han, 2014; tom Dieck & Jung, 2017).

Different elements influence the process of experience creation that can be analysed, considering experience as an integration of visitor motivational elements (Rauschnabel & Ro, 2016), and to the organisational elements of museums (Chiappa et al., 2014; Han et al., 2018). Consumers motivational elements can be explained through the recourse to the technology acceptance model (TAM) that identifies the user's acceptance of AR and VR tools to interact with cultural product or museum services (Davis, 1989). This degree of museum user acceptance depends on various critical factors such as the number of benefits, technology perceptions, social norms and status that the visitors can obtain during the visit (Rauschnabel & Ro, 2016). Museum organisational elements are analysed according to the user's experience model (Law, Chong, Roto, Hassenzahl, Vermeeren & Kort, 2009) that defines the system's museum characteristics to increase user intention and perception towards specific education and interest levels, technology usability and accessibility, and the correct exposure to art, while managing structural context such as location, lighting, technologies offered and size (Poria, Reichel & Biran, 2006).

A recent and holistic approach reconsidered the user experience model of identifying the necessity to incorporate hedonistic and enjoyment attributes to explain as attractiveness and aesthetics of the technologies impacts on the museum users (Han et al., 2018). Karapanos, Zimmerman, Forlizzi & Martens (2009) identifies three critical areas within users' experience model. The first is emotional attachment, expressing the degree of personal and social attachment to museum users. The second is functional dependency, explained as long-term usability and usefulness to the general organisation. The third is familiarity, recognition of the process of stimulation and learnability activated simultaneously between museum user and organisation.

In the first area of the model, the authors stress the presence of emotional sentiment in the interaction process between museum users and elements of the organisation. Every element within a museum plays a significant role because it can cause a positive or negative emotion, influencing the experience creation process and impacting on the final satisfaction (Del Chiappa et al., 2014). In this sense, the authors add to the traditional satisfaction concept – already consolidated in the literature – with other elements having hedonic, cognitive and social value nature. These elements are recognised as relevant variables that necessitate control to understand the satisfaction or dissatisfaction processes of the visitors in museum experiences (Del Chiappa et al., 2014; Conti et al., 2017).

## Methodology

In Italy, promoting access to culture via digitalisation represents one of the main challenges for cultural heritage.

The Ministry for Cultural Heritage and Activities and Tourism (MiBACT) is involving the use of digital technology to promote wider access to cultural heritage and facilitate the provision of digital cultural products combining the innovative added value of cultural heritage with its preservation.

Ara Pacis (Rome - Italy) represents an iconic museum because is one of the most important Roman monuments built by Augustus between 13 and 9 BC. It was selected as it is a famous and historic museum in which to investigate how VR and AR technologies enhance the learning experience co-creation, improving entertainment and visitor satisfaction. The "L'Ara com'era" project (The Ara As It Was) – developed with the Experience Designer ETT – employs VR and AR to create immersive and multi-sensorial settings, using communicative and effective skills to create a museum-visitor learning experience by bringing the Ara reliefs to life, regaining its original splendour and original colours. Visitors enter virtual and augmented reality by using a Samsung Gear VR headset fitted with a Samsung S7 smartphone and a 3D tracking system, making use of the most advanced computer vision algorithms. The entire AR system recognises three-dimensional bas-reliefs and carries out real-time tracking. This recognition system "anchors" the overlay to the real surface, increasing the effectiveness of this immersive experience. The voices, in five languages, accompany visitors on the tour of reliefs depicting the sacrifice of Aeneas and the birth of Romulus and Remus, with characters, gestures and deities illustrating the origins of Rome and the lineage of Augustus.

Data collection was obtained through face-to-face interviews in the museum, using a specific questionnaire; the sample comprises 576 visitors.

The questions were divided into three main sections: visitor socio-demographic variables; visitor importance and perception of the four aspects of the museum (general organisation, reception staff, content and VR and AR experience) and overall satisfaction; and intention to revisit and recommend. In the first part, respondents were asked to give some general socio-demographic information, namely, gender, age, level of education, civil status and country of residence. The second part was a three-point Likert scale measures importance and perceived quality. In the third part, interviewees were asked the question, "Would you recommend this initiative to a friend?"

With a Likert scale from 0 to 10, we gathered the difference between the percentage of promoters (e.g. those who are satisfied/very satisfied and gave an evaluation of 9-10) and the detractors (users dissatisfied with a rating from 0-6) corresponding to those who will speak really well about this initiative.

Data were analysed through SPSS and descriptive statistics were defined. Cluster analysis has been carried out to define groups of visitors with similar socio-demographic and satisfaction characteristics. The Importance-Performance analysis (IPA) (Ennew, Reed & Binks, 1993, Reino, Mitsche & Frew, 2007) was applied, evaluating visitor experiences and satisfaction in the Ara Pacis Museum considering four dimensions: general organisation, reception staff, content and VR and AR experience.

### Findings and discussion

Descriptive statistics on the sample evidence that typical visitors of Ara Pacis Museum are Roman citizens (56%) and tourists coming from other Italian cities (32%). Although VR and AR use five languages, the international tourists are only the 12%: USA (2%), Germany (2%), Spain (2%) and other countries (6%).

The female gender prevails (59%). The most represented age groups are those of 19-39 years (41%) and 45-64 years (33%). The profile of visitors is highly educated: 67% with a degree or specialisation degree postgraduate.

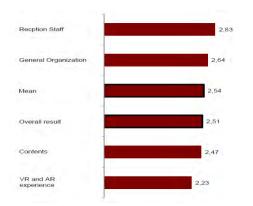
Employees prevail among the professional categories, teachers with 34% of the total interviewees. Students (18%) and self-employed follow professionals (16%).

The low presence of international tourists can be motivated considering the restricted information and awareness of the AR and VR use in this important historic museum, influenced by the adopted channels of communication. Word of mouth prevails (35% of the total) influencing Romans and in some case foreign visitors, followed by the press (11%) and advertising (10%, of which 8% is related to billboards); all these forms of communication manifest a restricted urban impact on the audience without international diffusion. The web channel reaches 24% and 8% for both the MiC portal and other websites and social networks.

Considering the effectiveness of communication to attract new visitors, digital communication enhances international visitors' awareness and reaches new tourists.

Visitors' perceived quality during the learning experience is analysed considering the overall evaluation and the four related dimensions: general organisation, reception staff, content and VR and AR experience. Visitors show a high level of overall perceived quality (three-point Likert scale) as emerges in figure 1.

**Figure 1:** Visitors' perceived quality (max 3.00)



The overall visitors' perceived quality is high (2.51) with an average of 2.51 (3.00 is the max value) and 95% of the population interviewed falling in between the very to quite satisfied visitors. The main outstanding aspects of the visitors' appreciation are the reception staff (2.83) and general organisation (2.64), followed by positive evaluation of content (2.47) and VR and AR experience (2.23).

Results show a high level of satisfaction (95% of respondents). Two clusters were identified by analysing socio-demographic profiles combined with the learning experience and the visitors' satisfaction, showing differences in VR and AR acceptance, use and experience.

Cluster 1 (357 interviewees – 62%) qualifies the Delighted tourists (Italians and foreigners) that manifestly present a positive gap between perceived quality and expected quality; they are over 45, employed and retirees, new visitors. Cluster 2 (219 interviewees – 38%) identifies the Satisfied tourists (mostly Romans) that present an alignment between perceived quality and expected quality or a negative gap; they are young people and up to 34 years old, students and freelancers, some who have already visited the museum.

Figure 2 compares the two clusters considering: general organisation, reception staff, content (gap), VR and AR experience (relevant gap) and overall perceived quality. Two distances emerge, content and VR and AR experience (relevant gap).

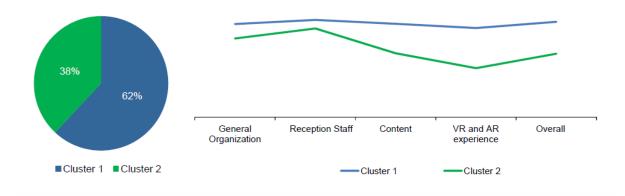


Figure 2: Visitor clusters

An interesting point is the level of visitor loyalty to the museum and the implication of recommendation. Forty-five percent of the total sample claims to have already visited the Ara Pacis Museum, while 55% went there for the first time. It should be noted that Romans over 40 have already visited the museum. On the other hand, both Italian and foreign first-time visitors reach the same percentage of 71% of the total interviewees, mostly young people aged up to 34 years.

The question, "Would you recommend this initiative to a friend?" shows a difference between the percentage of promoters (e.g. those who are satisfied/very satisfied, and they gave an evaluation 9-10) corresponding to those who will speak really well about this initiative (52%) and the detractors (users dissatisfied with a rating from 0-6) only 11%.

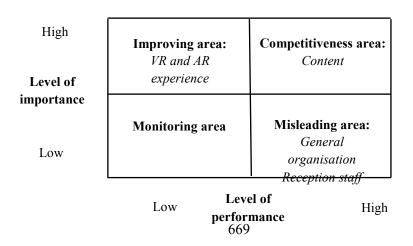
In this case, the percentage of interviewed spectators who will recommend "L'Ara com'era" is equal to 41%, highlighting that 37% of the population voted between 7 and 8 and are not part of the promoter group.

Figure 3: Net promoter score

	PROMOTERS	NET PROMOTER SCORE L'Ara com'era 2017										
		0	1	2	3	4	5	6	7	8	9	10
		3	0	1	6	9	13	31	71	134	119	176
0 1 2 3 4 5 6 7	8 9 10	1%	0%	0%	1%	2%	2%	5%	13%	24%	21%	31%
	-	1		DETRA	CTOR	S = 119	10		PAS	SIVE =	PROM = 5	OTER 2%
Net Promoter Score = % Promoters	- % Detractors					52%	-11% =	41%			1	

Visitor satisfaction can be analysed adopting the importance-performance matrix in which every dimension (General Organisation and Staff, Content and VR and AR experience) has been positioned comparing the perception (performance) with the expectation (importance) (figure 3).

Figure 4: Importance-performance matrix



The matrix allows mapping the diverse relevant aspects of the Ara Pacis Museum in order to design possible managerial implications. The contents of the visit cover the competitiveness area turning out to be the most important and satisfying aspect (top right quadrant). Although general organisation and reception staff present the higher level of performance (visitors' perceived quality), they represent elements with a low level of importance in the Ara Pacis visit, covering the misleading area.

The experience of Augmented and Virtual Reality covers the improving area representing the priority improvement to enhance learning experience and satisfaction in Ara Pacis Museum. The analysis of visitors' suggestions (325 in total) reinforces this managerial implication. Seventy-two visitors suggest an improvement to the VR experience: headsets add a support so that visitors do not have to handle them (45 visitors), headsets do not always work well, sometimes they mist-up (7 visitors), greater sanitation (6 visitors), improve the quality of the audio (6 visitors), possibility of repeating the sections (5 visitors). Twenty-nine visitors require improvement of the quality of VA technology. Besides, 116 visitors suggest improving video and images considering the graphical resolution (65) and the quality of video and images (51).

Some suggestions also emerged on the content (50): more information, insights and anecdotes (26), especially on the aspects of conservation of the Ara and on the architectural structure (8), on reliefs, characters, history of Rome (6); descriptions too simple and trivial (4).

Marginal indications concern organisation (14): better queue management, respect of reservation times and more shifts (7); lack of support for the deaf, staff should wear clothes from Ancient Rome, add a food and wine route (7); duration too short (14); ticket too expensive compared to experience (5); possibility to go inside the altar and walk around the monument on your own (5).

Interesting appreciations emerge (40): great idea, beautiful, wonderful (19), do more initiatives of this kind, even in other museums and monuments (10), excellent content, especially the initial part (6), impeccable staff and organisation (5).

## Conclusion

The exploitation of innovative technologies, such as Virtual Reality (VR) and Augmented Reality (AR), opens up areas of thought that reshape museum managerial approaches. The interaction between visitors and cultural organisations permits the redesigning of museums as immersive site-visits and experiential learning co-creation.

Museums around the world are investing in VR and AR, and are presenting unusual narratives and immersive, interactive content allowing visitors to create a personal experience while discovering new knowledge in an unfamiliar way; combining history and culture with innovative forms of entertainment.

Italy is living a new renaissance in which new managerial model and ICT tools, including AR and VR, are shifting cultural heritage towards innovative managerial approaches that redesign the role of visitor enhancing co-creation and immersive learning. Ara Pacis Museum, an iconic and historic

museum in Rome, is following this process investing in digital upgrading, allowing it to reinvent its mission and amplify the value of its collection.

This innovative process generated significant results: more than 11,000 people visited the Ara Pacis Museum in the three-month period following the opening (even though it was only open on Friday and Saturday evenings) and the experiential visit shows a very high level of satisfaction (95%) with a high percentage of interviewed spectators (41%) who will recommend "L'Ara com'era".

Although preliminary, our study presents some theoretical and managerial implications.

From the theoretical point of view, our findings confirm that AR and VR tools amplify multiexperiential value in cultural heritage providing an integration between traditional cultural contents and other experiences such as socialisation, entertainment and learning in which visitors enjoy a new form of value co-creation (Conti et al., 2017; Del Chiappa et al., 2014; Pine & Gilmore, 1999). The results show how the Ara Pacis Museum enhances the combination of time and space and balances authenticity and innovative content. The combination of digital content and museum cultural heritage motivates both new visitors and the consolidated audience to visit the museum and activates the process of smart co-participation and social interaction between visitors and the museum organisation (Pallud & Monod, 2010; tom Dieck & Jung, 2017).

This paper permits the design of possible managerial implications that can support museum managers in redefinition scenarios in which AR and VR management enhances opportunities for harmonising iconic museum content and innovative forms of experience. Firstly, results were obtained through the application of importance-performance analysis allowing the museum manager to design possible areas of the improvement in enhancing experience co-creation. Findings suggest that although results show a high level of satisfaction (95%), the impact of AR and VR on visitor experience remains in the improving area requiring additional investment. In fact, a new phase of cutting-edge technologies has started to enhance Ara Pacis cultural heritage, with a combination of live filming, 3D reconstructions and computer graphics taking visitors to the northern part of ancient Campus Martius, where they can watch the first VR reconstruction of a Roman sacrifice. Museum managers investing in AR and VR technologies can also look at human resources training, facilitating the acceptance and use by visitors, and innovative content enhancing experiences. Secondly, the empirical evidence presents practical implications in service management: the high level of satisfaction connected with the content, organisation and reception staff deploys its power combined with digital tools that enhance the immersive experience, underlining how innovation is pervasive in services, including cultural organisations. Thirdly, reemphasising the pervasive role of innovation, the case study suggests paying attention to new forms of communication able to enhance awareness of innovation such as AR and VR. Social media and digital communication will find new targets, including millennials, who appreciate AR and VR and immersive experiences.

This preliminary study presents some limitations including the single case study approach and the restricted number of variables used in the empirical analysis. Further research will overcome the limits of this exploratory study extending the analysis to other similar museums, with an in-depth

exploration of each of the four dimensions and analysing other variables that influence experiences in museums.

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# DANGER OF ARTIFICIAL INTELLIGENCE RELATED TO THE PAST, PRESENT, AND FUTURE OF ACCOUNTANCY PROFESSION

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### Abstract

Orientation of developed and developing countries to market economies in the recent years and the phenomenon globalization have accelerated the development of knowledge – based economic structure and increased the importance of the need for reliable information. As a natural result of this, the importance of structuring and executing accounting applications has revealed.

In order to prepare the financial tables belonging to businesses being active in the various countries in such a way that they will produce the comparable, understandable, transparent, realistic, and useful information and in a common language, various studies were carried out by either private sector or regional formations or international agencies. In the framework of these studies, with that the specialized and qualified people in accounting area from the various countries come together, International Accounting Standards Committee was founded. Standards give explanatory information about identifying financial quality events related to the businesses, according to which principles this information will be evaluated and recorded, presentation form of the financial tables, and footnotes taking place in the financial tables.

The development in the area of accountancy profession and accounting standards in the world have been closely followed in our country as well and in the last 50 years, adaptation studies were rapidly provided. Turkish Accounting Standards Agency (TMSK), with its former name, Accounting and Audit Standards Institute of Public Supervision, with its current name, enabled International Accounting and Financial Reporting Standards (UMS and IFRS)) to be translated to Turkish and implemented it, in order for our country to comply with accounting standards that are applicable in world counties

In the studies that have been carried out in the recent years, thanks to the robots developing in a unreasonable speed and artificial intelligence, it is predicted that after 50 years, 80% of the existing professions at the present days will extinct and the remaining ones will not be able to be sustained in its sense at the present days. Among the professions that will be most influenced from this change, it is emphasized that the accountancy profession will take place.

In this study, the past and present of accountancy professions was dealt with and some evaluations were conducted about the expectations about its future.

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## HOSPITALITY AND THE GUEST BEHAVIOR INTENTION

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#### Abstract

The aim of this research is investigating the hospitability and their effects on service perception, compound by service quality, performance, customer satisfaction, perceived value and outcome behaviors. A conceptual framework was developed based on previous literature. A sample of 441 hotel guests were selected to examine the relationships, with the use of structural equation modeling using PLS-SEM. As a result, all hypotheses were confirmed, and we could prove that hospitability had an important contribution to service quality, service performance and in its turn, service quality had a positive and significant relationship with value perception and customer satisfaction.

Keywords: Hospitality, Hospitableness, Guest behavior, Service quality

#### Introduction

In the marketing literature is well known and discussed the role that customer orientation has for service companies (Brady & Cronin Jr, 2001; Deshpandé, Farley, & Webster Jr, 1993) and the outcomes that this orientation has on the overall performance of the organization, but for hospitality organizations, the equivalent theory for customer orientation is the hospitality theory, that assumes a particular orientation towards the guest, providing all the necessities like lodging, food and fun.

The studies on the relationships between perceived quality, performance, satisfaction, perceived value and behavioral intentions in the academic literature in the hospitality and marketing area considers only aspects of consumer behavior and there is no research's that refer to hospitality

theories such as those developed by scholars like as Lashley (2000, 2008, 2015), Telfer (1995, 2000), Brotherton (1999) and Lugosi (2008) among others. This gap evidences the need to include hospitality theories in the mainstream marketing.

Thus, this research seeks to incorporate the theoretical discussion about hospitality to the tradicional constructs of consumer behavior specifically within the hospitality industry. Therefore, the research problem evidenced here can be stated as: What is the relationship and impact between hospitality, performance, quality of service, satisfaction, value and behavioral intentions of a hotel guest after his stay?

This study is important for marketing managers within the hospitality industry since it adds a new point of view allowing managers to create new marketing strategies considering what was discussed in this work. Academically the importance lies in the consideration and inclusion of a new theoretical perspective for both marketing and hospitality. It is also necessary to emphasize that this study hopes to contribute and to advance in the discussion and the theoretical application initiated by classic authors within the literature of hospitality.

## Literature Review

## Hospitality

Hospitality is a multidimensional concept, but pertinent to human relations and that occurs between a host or service provider and a guest or customer receiving this service (Pitt-Rivers, 2012), one can also understand hospitality by two strands, the first as a social phenomenon and the second as an activity, but both have in common four basic duties: to receive, to host, to feed and to entertain (Lashley, 2000). Starting from these basic duties hospitality is constituted as a gift offered to a stranger who arrives, and therefore, manages to turn strangers into relatives, enemies into friends, friends into best friends. In this sense, the question focuses on how to insert someone who part of a community or group is not, making it an integral element of the relationship process (Pitt-Rivers, 2012). The foundation of society guides the behavior of individuals in the aspects of hospitality, fosters relationships and broadens ties (Selwyn, 2001).

Currently, the studies on hospitality are divided into two philosophical lines denominated French School and British School and each one with its contexts, characteristics, and main authors. The French School preaches that hospitality should take place through free, unpretentious action and without waiting for reward: the gift, but it generates reciprocity, and it is in this reciprocity that the relationship is perpetuated, giving, receiving and rewarding. This school brings the tradition of anthropology, philosophy, and sociology to the debate and has as its main thinkers Mauss (2000), (Gotman, 2001), Derrida (1998, 1999, 2002), Schérer (1997) among others. For the British School, hospitality does not rule out the principle of host-host relations, but advances in the debate when it adds the commercial or business context and its main thinkers are Lashley (2000), Brotherton (1999); Brotherton and Wood (2010); Lugosi (2008); Lugosi, Lynch, and Morrison

(2009); Lynch, Molz, Mcintosh, Lugosi, and Lashley (2011), Telfer (1995, 2000), among others. Table 1 summarizes each of these schools.

Table 1 Main	differences	between the	French and	British	hospitality schools
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School	Context	Characteristics	Main authors
French	Social/private hospitality	Give, receive and	Derrida (1999); Gotman (2001); Mauss
		reciprocate	(2000); Schérer (1997)
British	Commercial hospitality	Agreement between	Brothherton and Wood (2000); Lashley,
		host and guest	Lynch, and Morrison (2007); Lugosi (2008);
		-	Lynch, Molz, Mcintosh, Lugosi, and Lashley
			(2011); O'Gorman
			(2007); Telfer (1995, 2000)

Lashley (2000) proposed a model where hospitality appears in three distinct domains being social, private and commercial, and it is at the intersection of the three domains that management of the hospitality experience occurs that focuses on host experience and creation of memorable moments. Hospitality applied in commercial activities is gradually assumed to be genuine, not in the sense that it is trained and even conveyed in procedural manuals, but as competence brought by the individuals who act as hosts. Thus, it is important to elucidate that hospitality occurs at the organizational level, since it is the values, guidelines and culture of the organization and the people who constitute it and the hospitableness occurs on the personal level and in the direct relationships between human beings, since they are personality traits people or hosts that deal with guests (Lashley, 2000; Telfer, 1995, 2000).

# Service quality

The best definition of quality service is that given by Grönroos (1984), where the service quality is the comparison between the expected result and the perceived result by the consumer. From their perspective, the expected result is the set of pre-service evaluations and are based on the preliminary information received, and this information arose from previous experiences, feedback from other consumers, preliminary report from the product suppliers.

Therefore the perceived result is the set of evaluations of the performance of the service achieved after the execution of the service itself (Zeithaml, 1981).

From these definitions, Parasuraman, Zeithaml, and Berry (1985, 1988) developed the SERVQUAL scale, one of the most used scales to measure the service quality, and it is based on the gap between the expected service and the performed service. From the SERVQUAL scale, several other scales were developed, concurrent scales like the SERVPERF that measures the performance of the service (Cronin & Taylor, 1992), or derived scales such as

DINNERSERV, which measures the quality of restaurant services (Stevens, Knutson, & Patton, 1995), or the SERVHOSP scale, which measures the quality of hospital services or SERVHOSP, which measures the quality of hospital services.

The services quality is a multidimensional construct composed by several dimensions that can vary according to the theories used to justify the construct, for example, Parasuraman et al. (1985) employed five dimensions: tangibility, reliability, readiness, security, and empathy. Other scales use other types of dimensions or even combinations that allow analyzing specific situations within each research conducted.

In the hospitality industry, the measurement perceived quality by the guest is not a new phenomenon, Gronroos (1984), used the hotel industry to develop the first notions of service quality. Because one of the best explanations for the performance of service happens with the provision of lodging, food, and entertainment, a basic trinomial for hospitality theories. From this point, several researchers carried out works within the hotel industry with the perspective of service quality. For example Knutson, Stevens, Wullaert, Patton, and Yokoyama (1990), that have developed from the SERVQUAL scale the LODGSERV scale to measure the expectation of the clients about to the experience in a hotel. The work of Saleh e Ryan (1991) who used the SERVQUAL scale to analyze the perceived quality within the hospitality industry and as a result pointed to the existence of gaps between the perception of the clients and the hotel managers views.

More recently, the work that deals with perceived quality within hospitality deals with analyzes that combine the measurement of perceived quality and other constructs that allow the explanation of several phenomena within the combined studies of marketing and hospitality. Examples of these research's: Chen and Chen (2013) investigated the relationship between quality perception and corporate image in the hotel relationship marketing in Twain; as a result, they pointed out that a relationship orientation positively affected the judgement of the clients regarding the corporate image and the perceived quality. Or yet, the research of Lo, Wu, and Tsai (2015) that investigated the relationship of quality perception in hotels and spas in southern China and researchers found that of service quality was essential to increase positive experiences of hotel and spa guests.

# Perceived value

Value is a construct that has several definitions in various areas of study within management and other disciplines. Even in the marketing area and more specifically in the studies on consumer behavior, the definition of value can assume several connotations, for example, in the first qualitative studies conducted by Zeithaml (1988), value assumed to be forms such as: product price or, which does more with less money, or still, value is what the consumer pays for what you get. In this way, the author defined perceived value as being the notion where the general evaluation of the consumer of the usefulness of a product based on the perceptions about what is received (good or service) and what is given in exchange. This discussion is further advanced when

Porter (1990) states that value is related to a perception of good or service to the buyer concerning product quality, unique features or aftersales service.

Still, within this discussion, Gallarza and Saura (2006) based on an extensive review of the literature on value and value perception, point out that this concept evolves from two dimensions, economic and psychological. The economic dimension is in line with that defined by Zeithaml (1988) and Porter (1990). The psychological dimension, on the other hand, posits that the choice is related to emotional rather than cognitive and rational aspects. More recent studies show that perception of value is defined as a multidimensional construct composed of both the economic dimension and the psychological dimension (De Ruyter, Wetzels, & Bloemer, 1998; Grönroos, 1984).

# Satisfaction

According to Churchill Jr and Surprenant (1982), the concept of customer satisfaction is the primary result of an organization's marketing activities and serves as a link to processes that lead the consumer purchase decision, repeat purchase, loyalty, endorsement, among other behavioral intentions.

Satisfaction is defined as a result of the comparison by the consumer of the rewards and costs of acquiring a good or service about to the anticipated consequences of such acquisition (Churchill Jr & Surprenant, 1982). Moreover, E. W. Anderson, Fornell, and Lehmann (1994) point to two distinct types of conceptualization for satisfaction; cumulative and transaction-specific. Cumulative satisfaction, are all assessments carried out based on all consumer shopping and consumption experiences; transaction-specific satisfaction is the assessment resulting from the purchase and consumption experience of an occasional and specific purchase.

The literature on consumer satisfaction is vast, and various theories have been created to explain consumer satisfaction, but what all these theories have in common is that they are based on cognitive psychology. Overall there are nine theories that explain consumer satisfaction: expectancy disconfirmation; assimilation or cognitive dissonance; contrast; assimilation-contrast; equity; attribution; comparison-level; generalized negativity; and valueprecept (Pizam & Ellis, 1999).

Within the hospitality industry, several surveys have been done on consumer satisfaction, the most recent of which include: customer satisfaction in restaurants (Kim, 2011; Lin & Mattila, 2010); customer satisfaction in destinations (Abubakar & Mavondo, 2014); customer satisfaction in hotel (Lee, Sun, Wu, & Xiao, 2018; Liat, Mansori, & Huei, 2014).

# Behavioral intentions

In the literature could be found three theoretical models on behavioral intentions, TRA or Theory of Reasoned Action from Ajzen and Fishbein (1980), TPB or Theory of Planned Behavior from

Ajzen (1985), and the MCM model of Miniard and Cohen (1983). In the Theory of Reasoned Action, behavioral intention is a direct antecedent of behavior, and behavioral intention is determined by the individual's attitude in performing the behavior and the perception of what others think about the behavior, in this case, subjective norms. The Theory of Planned Behavior is an extension of the TRA where a nonvolitional component is added to predict behavior. And in the MCM model of Miniard and Cohen the informational influences should reflect only the personal attitudes of an individual and should not be related to the normative beliefs of the behavior, so this model points out that the information of others serves as an important sources of information about the environment of this individual (Netemeyer, Andrews, & Durvasula, 1993).

In a more straightforward, behavioral intentions are the desirable behaviors that the guest in advance shows they will have in the future, in this sense Zeithaml, Berry, and Parasuraman (1996) developed a scale with 5 dimensions that point out the behavioral intentions that a consumer could have: loyalty to company, propensity to switch, willingness to pay more, external response to a problem, and internal response to a problem. These five dimensions have become the basis for various studies of behavioral intention, including guests in the hospitality industry.

In the hospitality industry several studies have been made using behavioral intention, for example, Mansour and Ariffin (2017) discussed the local and commercial hospitality on behavioral intention in cultural heritage tourism, or the research from Teng, Lu, and Huang (2018) who deals with behavioral intention towards green hotels.

# Research framework and hypothesis

According to service theories, hotel services is as high-contact services, so the performance and hospitality of a hotel are essential components for the guest's perception of the service quality, according to authors such as Oh (1999), Teng and Barrows (2009), and Blain and Lashley (2014), perception of service performance and hospitality are directly linked to the perception of service quality, so the following research hypotheses are proposed:

H1: Hospitality has a positive and significant relationship with service quality

H2: Service performance has a positive and significant relationship with service quality

Previous research has already pointed out that the perceived quality is antecedent of the perception of value and the satisfaction of the guest and that also the perception of value has influence in the satisfaction of the guest (Oh, 1999). Based on what has been discussed previously in the literature review, the following hypotheses are formulated.

H3: Service quality has a positive and significant relationship with perceived value

H4: Service quality has a positive and significant relationship with guest satisfaction

H5: Perceived value has a positive and significant relationship with guest satisfaction

Behavioral intention was defined as the desirable behaviors that the guest in advance shows they will have in the future, thus how attitudes are formed according, Fishbein and Ajzen (1975), by the continuous aggregation of beliefs and evaluations, we can consider that service quality, satisfaction and value are attitudes and consequently have relationship with behavioral intentions. Therefore, we would state the following hypotheses.

H6: Service quality has a positive and significant relationship with behavioral intention

H7: Guest satisfaction has a positive and significant relationship with behavioral intention H8: Perceived value has a positive and significant relationship with behavioral intention

# Methodology

# Measures and survey questionnaire

The measurement scales were developed based on the conceptual model from the reviewed literature. The items were either borrowed or slightly modified from previous research, and all items were measured using a Likert scale, anchored from 1 (strongly disagree) to 7 (strongly agree). The scale for hospitableness was developed by Blain and Lashley (2014), and consists of ten items. The scale for satisfaction was developed by Cronin, Brady, and Hult

(2000), and consists of three items. The scale for value was developed by Cronin, Brady, Brand, Hightower Jr, and

Shemwell (1997), and consist of three items. The scale for service quality scale was developed by Hightower Jr, Brady, and Baker (2002), and consists of three items. The scale for service performance was developed by Cronin et al. (2000), and consist of four items. The scale for behavioral intention was developed by Zeithaml et al. (1996), and Cronin et al. (2000), and consist of four items.

The final portion of the survey elicited respondents' socio-demographic information (e.g., age, gender, education level, organization position, firm size, and firm age). The survey questionnaire was tested for content validity by hospitality and marketing academics. The developed questionnaire, originally in English, was translated into Brazilian Portuguese using a back-to-back translation method, after that, a pretest was conducted with 30 graduate students to face validation and minor corrections.

# Data collection and sample profile

The data were collected between November and December 2017, through an electronic questionnaire hosted by a public servant. The Google Forms tool was used, and a link directed to the survey was sent by e-mail to more than 10,000 contacts from a list of professionals in the São Paulo City in Brazil. There was a return of 441 valid respondents.

The sample of the 441 respondents had 65.3% (n = 288) of males and 34.7% (n = 153) of females. The majority have an undergraduate level of education 82.3% (n=363) and at the graduate level was 12.2% (n=54). The main reason for the trip was leisure and vacation 74.1% (n=327) and on business 25.9% (n=114). When asked about the hotel's classification, the respondents stated that: 36.1% (n=159) don't know or the hotel don't have any stars, 27.9% (n=123) the hotel has four stars and 21.8% (n=96) the hotel has three stars and only 9.5% (n=42) stated that the hotel has five stars.

#### Data analysis plan

To analyze the proposed model in Fig. 1, we used Structural Equation Modeling (SEM) with Partial Least Square (PLS). As recommended by the literature (Kline, 2011), the assumptions for the application of this regressive technique were verified in advance. The absence of multicollinearity was verified by calculating the Variance Inflation Factor (VIF). Even though there is no ideal value for the test, there is a consensus that VIF's smaller than

10 indicate the absence of linear relationships between the independent variables (Hair, Anderson, Babin, & Black, 2010). The homoscedasticity was verified by Levene's test (Hair et al., 2010) and, finally, the normality in the distribution of the dependent variables of the model was verified by means of the Kolmogorov-Smirnov test, which is the alternative test to the test of W of Shapiro for samples larger than 30 observations (Hair et al., 2010).

After the preliminary tests, the SEM (Structural Equation Modeling) was performed, following the methodology proposed by Chin and Newsted (1999), with partial least squares estimation (PLS-PM - Partial Least Square - Path modeling) using SmartPLS software 3 (Ringle, Wende, & Will, 2005), and the recommendations of J. C. Anderson and Gerbing (1988), with the analysis performed in two phases. In the first phase, the measurement model was analyzed, through the verification of the convergent and discriminant validities, and in the second, the analysis of the structural model was performed.

For the convergent validity, it was sought to identify upper loads ( $\lambda$ ) at 0.60 between the items, and the construct measured and for convergent validity, the square root of the AVE (Average Variance Extracted) of the construct was required to be greater than the correlation with the other constructs of the model. In this phase, the internal consistency of the scale was also verified by Cronbach's Alpha (higher than 0.60), composite reliability (greater than 0.70), and AVE (greater than 0.50), as recommended by Hair, Ringle, and Sarstedt (2011).

Different from covariance base SEM, the PLS do not optimize a global function; therefore, there are no indices of adjustment of the models like RMSEA, CF, NFI among others identified through software such as LISREL, AMOS or EQS. On the other hand, Tenenhuaus et al. (2005) recommended the verification of a general adequacy index of the GoF (Goodness of Fit) model, obtained by the geometric mean between the mean R2 (structural model adequacy) and the mean AVE (adequacy of the measurement model). Wetzels, Odekerken-Schröder, and Oppen (2009) suggest that a minimum GoF of 0.36 is adequate for studies in the social and behavioral sciences.

## Analysis

The convergent validity was observed by the presented loads. In the model, where all loads were used, the loads  $\lambda$  range from 0.786 ( $\lambda$ H09) to 0.950 ( $\lambda$ V3). All model adjustment indicators were satisfactory. Likewise, the discriminant validity of the latent variables was verified when the square roots of each variable were found to be superior to the correlation between them and the other latent variables of the models, as demonstrated in Table 2.

Table 2 Assessment of the Measurement Model and Analysis of the Model Discriminant Validity

		GoF	= 0.77							
Variables	α		_			<u>H</u>	<u>s</u>	<u>SP</u>	<u>SQ</u>	<u>PV</u>
CR				AVE						BI
Behavioral Intention (BI)				0.871						
Hospitality (H)	0.939	0.941	0.950	0.702	0.755	0.838	5			
Satisfaction (S)	0.922	0.922	0.951	0.865	0.841	0.784	0.930	)		
Service Performance (SP)							).892	0.814	0.862	
Service Quality (Se	<b>Q)</b> 0.89	94 0.8	96 0.9	934 0.8	825 0.	847 (	).838	0.843	0.813	0.908
Perceived Value (PV)	0.932	0.932	0.956	0.880	0.810	0.771	0.857	0.77	1 0.830	0.938
Optimal values	> 0.6		> 0.7	> 0.5						

**Note**:  $\alpha$  = Cronbach's Alpha; CR = Composite Reliability; AVE = Average Variance Extracted; The diagonal presents the square roots of the AVEs of the constructs. All correlations were significant at 1%

The standard regression coefficients in the measurement model, show how each observed variable affect the latent constructs when these increases one unit (Bollen & Lennox, 1991). Behavioral Intention has the higher regression coefficient (0.412) with the variable Service quality, followed by the regression coefficient (0.348) with the variable Satisfaction, and a regression coefficient (0.169) with the variable Value. So, when the variable Behavioral Intention increase one unit the significant contribution coming from Service quality, followed by Value.

The determination coefficients ( $R^2$ ) of dependents variables: eWOM, Attitude, Trust, Intention to Buy and Risk. These coefficients indicate the percentage of variance of the dependent variable, that is explained by independents variables. The  $R^2$  values are shown inside the circles. In the case of the variable Behavioral Intention, the value of the coefficient of determination of the variance ( $R^2$ ) obtained was 77.9%. In the case of the variable Satisfaction, the value of the coefficient of determination of the variance ( $R^2$ ) obtained was 79.1%, and for the variable Value, the value of the coefficient of determination of the variance ( $R^2$ ) obtained was 68.9%. In the case of the variable Service quality, the value of the coefficient of determination of the variance  $(R^2)$  obtained was 72.3%.

For the validation of structural model, the bootstrapping algorithm was used from SmartPLS 2.0M3 software (Ringle et al., 2005), with 5,000 parameters for the number of cases and samples. This procedure has the objective to accomplish 5,000 simulations with the data set to get the t-test distribution. The t-test results depend on the number of questionnaires answered. For a sample of 441 respondents (degree of freedom), the distribution value of t-test is

1.96 for a confidence interval of 95% and 0.05 significances. The t-test serves to test the hypothesis of correlation/regression coefficients be equal zero. If the test result of t-test is equal or higher than 1,96, than the hypothesis is rejected, that is, the correlation is significant. The Table 3, shows analyses results conducted with the SmartPLS 3 to test the hypothesis made.

Hypotheses	Relationships		t-test	sig	pvalues
H <sub>1</sub> (A)	Hospitableness   Service Quality	0.533	7.547	***	0.000
$H_2(A)$	Service _Performance $\Box$ Service Quality	0.319	4.064	***	0.000
$H_3(A)$	Service Quality  Value	0.830	32.786	***	0.000
H <sub>4</sub> (A)	Service Quality  Satisfaction	0.423	6.290	***	0.000
H <sub>5</sub> (A)	Value 🗆 Satisfaction	0.506	7.690	***	0.000
$H_6(A)$	Service Quality  Behavioral Intention	0.412	5.476	***	0.000
H <sub>7</sub> (A)	Satisfaction  Behavioral Intention	0.348	3.955	***	0.000
$H_8(A)$	Value  Behavioral Intention	0.169	2.031	*	0.042

Table 3 Path Coefficients of Tested Model

**Note:** (A) = hypothesis accepted; (R) = hypothesis rejected; n.s. = not significant; \* p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001

The results indicate that Hospitability and Service Performance are both significantly and positively related with

Service Quality ( $\beta$ =0.533, p<0.001, and  $\beta$ =0.319, p<0.001), supporting H<sub>1</sub> and H<sub>2</sub>. The relationship between Service Quality is significantly and positively related with Perceived Value ( $\beta$ =0.830, p<0.001), Satisfaction ( $\beta$ =0.423, p<0.001), and Behavioral Intention ( $\beta$ =0.412, p<0.001), thus supporting H<sub>3</sub>, H<sub>4</sub> and H<sub>6</sub>. The link between Value and Satisfaction ( $\beta$ =0.506, p<0.001), therefore supporting H<sub>5</sub>, and Value and Behavioral Intention ( $\beta$ =0.169, p<0.001), hence supporting H<sub>8</sub>. Finally, the relationship between Satisfaction and Behavioral Intention ( $\beta$ =0.348, p<0.001) was positive and significantly supporting H<sub>7</sub>.

## **Discussion and conclusions**

Retrieving the initial objective of this research, which was to investigate the relationship and impact between hospitality, performance, service quality, satisfaction, value and behavioral

intentions of a guest hotel after its stay, a quantitative research was conducted using structural equations model through the software SmartPLS 3 to analyze the relationships between the constructs of the proposed model. As a result, some insights emerge and give opportunities for exciting discussions.

Teng and Barrows (2009) point out in their work the importance of the interaction of hotel staff to the perception of service quality, as did Lashley (2008) in his work when he explains that staff performance contributes to the perception of quality and consequent guest satisfaction. The data worked here point in the same direction of these findings, although the quality of the service is consequent of both the performance and the hospitableness the most significant contribution perceived by the guest comes from the hospitableness that are the personality traits (Telfer, 1995, 2000) and that is evidenced in repeated iterations between the host and the guest. Blain and Lashley (2014),

The value perception by the guest is highly related to the quality perception of the services offered by the host being visible by the results obtained in the structural model, this finding confirms what several researchers have found in similar studies (Oh, 1999). In the same sense, it is perceived that the value is one of the antecedents of satisfaction together with the perceived quality and that still has a strong relationship with this and here, value was more related to the economic and rational dimensions by making the perception of the guest perform the assessment based on direct losses and gains (Oh, 1999; Zeithaml, 1988)

This work contributes to the marketing literature in the field of hospitality by including and examining in a theoretical model the relationships between constructs such as perceived service quality, perceived service value, performance, customer satisfaction, and behavioral intentions including the theories of hospitality. The main contribution of this work is that we can include hospitality theories in studies related to marketing and specifically to studies on guest behavior on hospitality industry. Managerially, the contribution of this work consists of presenting to the marketing managers the need to consider the hospitaleness that are traits of personalities in their recruitment strategies, so that their respective organizations have a competitive advantage over competitors.

This research has several limitations, and therefore it is possible to present some suggestions for future studies that contribute to the theoretical development of the area. The first limitation and recommendation referred to the fact that like all empirical and quantitative research, this research represents a snapshot in time. A survey that considers a

longitudinal evaluation would be desirable. A second limitation refers to the fact that the research was conducted in the context of hospitality. Studies that examine the environments of restaurants, places, casinos, theaters, nightclubs, or other types within the hospitality industry would be highly recommended and desirable.

Another limitation relies on the fact that satisfaction measurement was limited to an economic dimension and did not consider the affective dimension as discussed in the literature review by authors such as E. W. Anderson et al. (1994), it would be interesting to have a study in which the guest satisfaction construct was explored in greater depth and scope considering that there are nine theories that explain consumer satisfaction. Another limitation of this research concerns the type of sample that was limited to the Brazilian context and makes it difficult to generalize to other cultures and countries. Therefore, it would be desirable to replicate this study in other regions such as USA, Europe, Middle East or Asia.

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# RESEARCH ON THE PERCEPTION OF THE RELATIONSHIP BETWEEN TOURISM AND ENVIRONMENT: SAMPLE OF TOURISM STUDENTS OF SILIFKE -TASUCU COLLEGE

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# Abstract

It is natural that tourism is an industry depending on environment much more than any other industry. As a result, environmental issues, such as the destruction of biodiversity, pollution, global warming, increasing of waste and the depletion of natural resources, affect tourism as much as other global issues, such as the economic crisis or terrorism. Tourism students are one of the shareholders of the sector and will play a vital role for their share in the sector after graduation from their school, and they are expected to do a good account of themselves. So we believe that responsibility for all shareholders of the sector in tourism activities reducing the impact of tourism on the environment equally.

Keywords: tourism, environment, environmental issues, global issues, tourism students' perception

## Introduction

Since tourism has become a generally recognized field of research, Tourism education is increasingly embedded in faculties or colleges of business and management(Wall, 2017). That's why the students of Tourism College are included in this study. This work studies the relationship between tourism and the environment which is mutually dependent. The tourism students are the individuals who will serve the tourists whose motivation is represented by the environment due to their natural, cultural-historical and social climate potential, while a clean and unchanged environment cannot exist without practising quality tourism. The more diverse and complex the natural resources are, the more interesting they are for tourism and the more interesting they are and more attractive (Bertan, 2009). At the same time, the deterioration of the natural environment due to daily human activities is experiencing increasing proportions of time with the considerable tourism development of recent decades. This endangers the tourism potential of reducing or even destroying its resources. However, tourism development is often a two-edged sword. It can

promote economic growth; meanwhile it can cause environmental pollution and ecological damage, if not well planned(Zhong, Deng, Song, & Ding, 2011).

Consequently, experts believe that tourism activities can lead to biodiversity deterioration by: fragmentation, destruction or deterioration of habitats, competition for natural resources, import of invasive species, tourist trekking, wildlife stress, etc. (Stefanicaa & Butnarub, 2015).

There are also a number of other activities that are developing along with tourism activities that can lead to deterioration in biodiversity. The issue of transportation and the environment is paradoxical in nature. From one side, transportation activities support increasing mobility demands for passengers and freight, and this ranging from urban areas to international trade. On the other side, transport activities have resulted in growing levels of motorization and congestion. As a result, the transportation sector is becoming increasingly linked to environmental problems. With a technology relying heavily on the combustion of hydrocarbons, notably with the internal combustion engine, the impacts of transportation over environmental systems has increased with motorization. This has reached a point where transportation activities are a dominant factor behind the emission of most pollutants and thus their impacts on the environment(Tahzib & Zvijáková, 2012). Moreover, air and road transport determines air pollution due to the constant evolution and increase in the number of tourists and their mobility. Currently, more than 60% of tourism transportation activities are realised via air travel. It is responsible for a significant proportion of harmful gas emissions, such as carbon dioxide. The emissions emanating from the means of transport and the emissions that result in the production of energy are closely related to acid rain. They determine the phenomenon of global warming and the serious local pollution phenomena. The phonic pollution caused by the means of transport by air and the cars, motorcycles, buses, but also the vehicles used for recreation (snowmobiles, jet skis and ATVs) are a growing tourism problem(Stefanicaa & Butnarub, 2015). This problem causes irritation, stress and even loss for the participant tourist activities. Recently, the increase and storage of waste is a major problem in areas where tourist activity is determined by the presence of special natural attractions. Improper storage can be a major factor in the deterioration of the natural environment. Water covers 71% of the earth's surface and constitutes a key component in all ecosystems. The economic value provided by aquatic ecosystems is estimated at three-quarter of the total value of the biosphere making these habitats most important to human livelihood and wellbeing (Costanza et al., 1997). The water pollution seriously affects the coral reefs because the waste water promotes algae formation and leads to hypoxia (decrease in oxygen concentration). This leads to: a) the death of fish, which reduces existing fish resources and degrades ecosystems; b) negative impacts on local residents and local tourism, as the water colours themselves turn red or green (depending on the algae species). As a result, there are some limitations, such as prohibiting swimming. All of these issues have a major impact on the natural environment, which is usually the determining element of travel (Stefanicaa & Butnarub, 2015).

## Methods and methodology

We used enquiry-based research as a working method using questionnaire techniques. The questionnaire provided us with information on the perception of tourism students regarding: a) the seriousness of environmental issues compared to other global issues; b) the main factors for improving environmental issues; c) responsibility for ecological education

The sample group studied is formed by the students studying tourism at vocational college and the Departments of Tourism and Hotel Management, Culinary, Tourism and Travel Agency, Tourist Guiding. i. e. Of the students who were at the time of conducting research in the analysed area (February 26<sup>th</sup> - March 08<sup>th</sup> 2018 – in Silifke, Mersin, Turkey). 3 hundred questionnaire paper s were delivered to the colleagues at the same college to implement to the students. 249 of them returned to be analysed. 4 of them were removed as they had missing variables or chosen the same variables imprecisely. The reliability of results was evaluated with the help of Cronbach's Alfa statistic (82.4%). They were descriptively analysed and their percentages were identified. The sample group is structured as follows:

• Depending on gender, 60.4 % of respondents are men and 39.4 % are women (Figure 1).

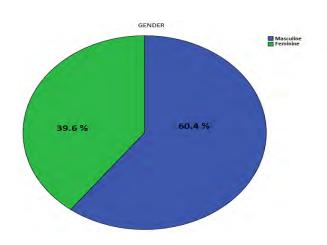


Fig. 1. Structure of the sample group – according to gender

• Depending on age – 91.8% of respondents are between 18 and 25 years old, while only 5.7% are between 55 and 65, and 2.4% between 36 years old and over (Figure 2).

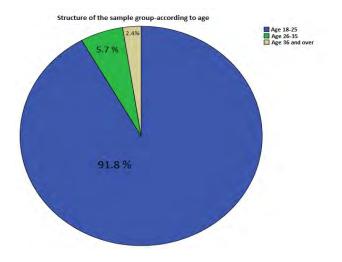


Fig. 2. Structure of the sample group – according to age

• Depending on department—44.1% of respondents are students at Culinary Department, 31.8% are at Tourist Guiding Department, 14.3% are at Hotel and Hotel Management Department and 9.8% are at Tourism and Travel Agency Department (Figure 3).

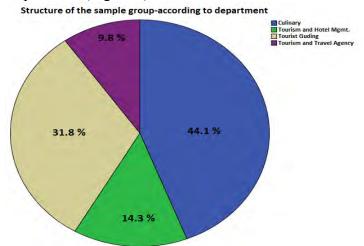


Fig. 3. Structure of the sample group – according to department

• Depending on experience in tourism including their tourism high school education—77.1% of respondents are experienced between 1 and 5 years and 22.9% are experienced between 6 years and over (Figure 4).

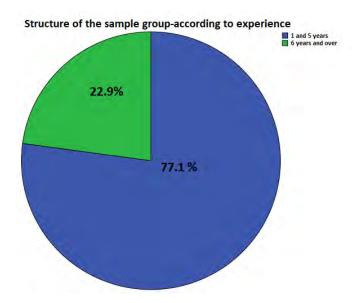


Fig. 4. Structure of the sample group – according to experience in tourism

The results obtained after the application of the questionnaire were processed and registered in the statistical program SPSS 23. The answers of 'strongly agree' and 'agree' are combined and given under the umbrella of 'percentage of positive answers'. The same process was carried out for the

answers of 'strongly disagree' and 'disagree', which are combined and given under the umbrella of "percentage of negative answers'.

## **Results and discussions**

Tourism is that part of the economy that consists of several activities or branches whose common purpose is to satisfy the needs of tourists(Witt, Brooke, & Buckley, 1995). However, tourists are not a homogeneous group of consumers. Therefore, they interact with the environment of the destination in a variety of modalities, according to their attitudes, motivations and expectations (Holden, 2007).

Consequently, in extreme cases, tourists can be completely unimpressed by the environment and its problems. On the other hand, they can feel a strong connection with the surroundings of the destination. Therefore, they will try to integrate and protect themselves, which helps to improve the impact of tourism on the environment.

Table 1. Students	' perception	of the seriousness	s of the environn	nental issues
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	Percentage of Positive answers	Percentage of Neutral Answers	Percentage of negative answers
The environmental issues threaten the human existence	82	10.6	7.4
The environmental issues are more serious than the economic crisis	54	27.3	18.7
The environmental issues are more serious than terrorism	20	20	60
The environmental issues are more serious than personal problems	54.3	19.5	26.2
The environmental issues are influenced by tourism	80.8	11	8.2
The most serious environmental issue is destruction of biodiversity	70.2	24.9	4.9
The most serious environmental issue is water pollution	72.7	16.7	10.6
The most serious environmental issue is air pollution	80.3	14.7	5
The most serious environmental issue is phonic pollution	59.6	25.7	14.7
pollution The most serious environmental issue is waste increase	79.6	17.1	3.3
The most serious environmental issue is natural resources depletion	85.3	9	5.7
resources depletion The most serious environmental issue is global warming	77.1	16.3	6.5

In the first phase of our study, we determined the position of students regarding the seriousness of environmental problems (Table 2).

Most of the surveyed students, over 80 %, consider that environmental issues threaten the human existence, and are influenced by tourism development. They slightly agree with the ideas of that the environmental problems are more serious than the economic crisis (54%) and personal problems (54.3%). They strongly think that air pollution (80.3%) and natural resources depletion (85.3%) are the most serious environmental problems. They moderately agree with ideas of that destruction of biodiversity (70.2%), water pollution (72.7), waste increase (79.6%) and global warming (77.1) are the most serious environmental problems. We noticed that the only issue that they disagree with is the idea of that the environmental issues are more serious than terrorism (disagreement 60%).

The second stage of this study consists of the main factors which are responsible lowering the negative effects of tourism over the environment. See Table 2.

Table 2. Students' perceptions of factors responsible for the improvement of environmental issues in tourism

	Percentage of Positive answers	Percentage of Neutral Answers	Percentage of negative answers
International organizations	68.7	25.3	6
Government( ministries related to tourism and environment)	88.2	8.6	2.2
Ecological organizations	85.6	12	2.4
Society	89.4	8.2	2.4
Hotels	67	20.8	12.2

The surveyed sample group think that the most responsible factor to lower environmental issues is society whereas the least responsible factor is hotels. They also strongly agree that the governments through the related ministries and ecological organizations are regarded as responsible for lowering the negative effects of tourism over environment.

Table 3. Responsibility for ecological education

	Percentage of Positive answers	Percentage of Neutral Answers	Percentage of negative answers
Families	93.4	5	1.6
Schools	95.6	3.2	1.2
Mass Media	76.3	15.5	8.2
Ecological Organizations	83.7	10.2	6.1
Tourism Agencies	49.7	26.5	23.8
Local Authorities	51.8	27	21.2

The third stage of our research consisted in the identification of responsibilities for ecological education of individuals. (Table 3.)

Most of respondents strongly agree that families (93.4%) and schools (95.6%) have a great role on ecological education. They stated that this role belongs to the mass media (76.3%) and ecological organizations (83.7%). To them, tourism agencies (49.7) have the least role in ecological education.

As a result of the research carried out, we believe that both the responsibility to reduce the negative impact of tourism on the environment and the information related to the environmental issues are equally shared by all participants in tourism activity.

# Conclusion

According to students taken part the survey, they are aware of the seriousness of the environmental issues and they consider that natural depletion is the most serious issue to solve. It is followed by air pollution. The high percentage of the answer of 'environmental issues threaten human existence' shows that the environmental issues have reached at dangerous level. To the respondents, tourism is one of the reasons to create environmental issues. Especially mass tourism causes some environmental problems such as infrastructural and urban super-structural issues, and phonic pollution due to the exceeding bearing capacity in a destination. They think that environmental issues are not more serious than terrorism. This result should be taken normally as they live in a country suffering from terrorism for nearly fifty years.

Another conclusion we get from the survey is that schools are the most important factor to lower the environmental issues as the individuals are critically play roles to create pollution. Families are the second important factor to improve the environmental issues which also related to the individuals' education to make them aware on environmental issues. It is not surprising that schools and families have so high percentage as they are playing a great role to raise individuals forming the society, and those individuals are not possible only service providers but also they are possible tourists who can contribute to improve environmental issues in their daily life by making environmental choices and appropriate behaviour during the development of tourist activities, as follows:

- the use of less polluting means of transport;
- an increased attention to the behaviour that could harm the environment when spending time in the middle of nature (destroying the plants, disturbing the animals, not storing the waste in designated locations, noise, etc.);
- an increased attention to the reduction of energy and water consumption, to the collection of waste, if they are the guests of a hotel;
- greater participation in green actions (participation in tree planting, selective collection of waste, saving of water and energy);
- undertake to pay an eco-tax or to control a percentage of their income tax in order to reduce their environmental impact in order to protect the environment in general;
- etc.

All of this could be improved by raising awareness of the seriousness of environmental issues. This can be achieved on the basis of adequate information regarding environmental problems and the impact of tourism development on the environment. As a result, the mass media and local authorities, hotels, etc. have an important role to play. Governments have a considerably important role to minimize the negative effect of tourism activities via creating preventing policies before damage is done.

We therefore believe that the protection of the environment today is an essential prerequisite for the development of tourism.

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# RELATIONSHIP BETWEEN EMPOWERMENT AND JOB SATISFACTION – FROM THE PERSPECTIVE OF FIRST-LINE EMPLOYEE IN TAIWAN RESTAURANT

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## Abstract

The main purposes of this study are: (a)to investigate the empowerment of first-line employee in Taiwanese restaurant industry. (b)to explore the relationship between employee empowerment and job satisfaction and (c)to provide suggestions and strategies on empower first-line employee.

It is hoped that the result of this study can help the researchers to understand how empowerment is practiced in the industry at either socio-structure empowerment or psychological empowerment. This study is a working paper and the data will be collected on April, 2018.

Key word: first-line employee, Socio-structure empowerment, Psychological empowerment, job satisfaction

## Introduction

The number of restaurants in Taiwan is growing at an average of 3 to 6 percent a year annually. In 2016, the total revenue of the industry exceeded US\$14 billion, breaking a new record for the 15<sup>th</sup> year. Market competitors are numerous and maintain service quality is challenged due to six key distinguishing characteristics of service:intangibility, inseparability, variability, perishability and heterogeneity and lack of ownership. Service quality depends on who provides them, when and where, and to whom. Thus, service quality is highly variable.First-line employees are those who are "first in line" when dealing with customers. In order to meet the various guests' requirements, the first-line employee need more power. Thomas and Velhouse (1990) pointed out that the first-line employees are empowered, their confidence level and self- reliance will increase. This extra confidence is a good thing because it creates job satisfaction and high levels of productivity (Amir & Amen, 2014). The main purposes of this study are: (a)to investigate the empowerment of first-line employee in Taiwanese restaurant industry. (b)to explore the relationship between employee empowerment and job satisfaction and (c)to provide suggestions and strategies on empower first-line employee.

#### Literature review

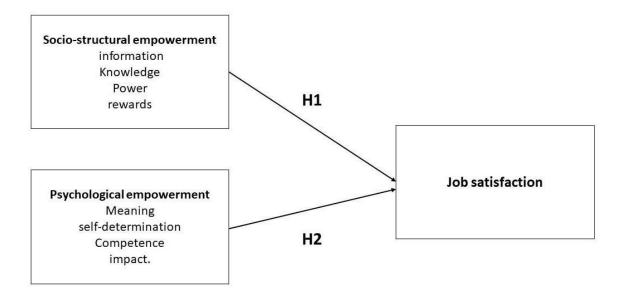
#### Empowerment

Empowerment is the process by which a leader or manager shares his or her power with subordinates. The Merriam Webster's Dictionary similarly describes the verb to empower as ''to authorize or delegate or give legal power to someone." In the management literature, this idea of delegation and the decentralization of decision-making power is central to the empowerment notion (Burke, 1986; Kanter, 1983) In contrast to the earlier definition of empowerment as delegation (of authority and resource sharing), the Oxford English dictionary defines the verb empower as "to enable." This study regarded empowerment as the delegation of authority, the leader or manager shares his or her power with subordinates. There are two different perspectives of empowerment. The first one is based on social-structure perspective, four different factors are important for empowerment: information, knowledge, power and rewards (Bowen & Lawler, 1992). Those factors work as elements to empower employee which will give employee space to act independently. The second perspective is from psychological, also be mentioned when discuss about the empowerment. It is defined as "intrinsic task motivation reflecting a sense of self-control in relation to one's work and an active involvement with one's work role." Psychological empowerment is composed of four cognitions: meaning, self-determination, competence, and impact. (Thomas & Velthouse 1990, Spreitzer 1995)This study will explore separately on how this two types of empowerment work in the Taiwan restaurant industry among the first-line employees.

#### Job satisfaction

Job satisfaction is one of the most researched variables in the area of workplace psychology (Barriball, Zhang & White, 2012), and has been associated with numerous psychosocial issues ranging from leadership to job design (Spector, 1997). The two most common definitions describe job satisfaction as: "the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values" (Spector, 1997), and "the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs". (Locke, 1976)The measure of job satisfaction can be classified into three different methods: single question, global measurement, and facet measurement. This study operationally defined job satisfaction as one's job satisfaction.

The relationship between Empowerment and Job satisfaction



Several studies found that empowerment is significantly correlated with job satisfaction. The studies revealed that the feelings of empowerment had a significant effect on job satisfaction. Schlesinger and Heskett (1991) found that if employees feel a high level of empowerment they would be more satisfied with their jobs. Based on the previous literature on empowerment and job satisfaction, this study proposed a research model and hypotheses for empirical testing:

H1: The socio-structural empowerment has the positive impact on employees' job satisfaction.

- H1-1: the information has the positive impact on employees' job satisfaction.
- H1-2: the knowledge has the positive impact on employees' job satisfaction.
- H1-3: the power has the positive impact on employees' job satisfaction.
- H1-4: the rewards has the positive impact on employees' job satisfaction.
- H2: The physiological empowerment has the positive impact on employees' job satisfaction.
- H2-1: the meaning has the positive impact on employees' job satisfaction.
- H2-2: the self-determination has the positive impact on employees' job satisfaction.
- H2-3: the competence has the positive impact on employees' job satisfaction.

H2-4: the impact has the positive impact on employees' job satisfaction.

## Method

Sample and Data Collection

This study collects data from restaurant full-time employee with at least six-month tenure. The questionnaires will be distributed through the internet with questionnaire survey. Data collection process will take place between April to May 2018 and it is estimated to collect 200 questionnaires for analysis.

#### Measures

The empowerment and job satisfaction scales adopted in this study have been widely used by researchers from the management and marketing fields.

*The socio-structural empowerment*. A 11-items scale developed by Bowen & Lawler (1992) will be used. Employees will be asked to rate each of the 11-items on a 7-point Likert-type scale ranging from 1(strongly disagree) to 7 (strongly agree).

*The psychological empowerment.* A 12-items scale developed by Spreitzer (1995) will be used. Employees will be asked to rate each of the 11-items on a 7-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree).

*Job satisfaction.* Alot of debate has been raised in the management literature as to whether or not researchers should use a single-item or multiple-items scales to measure job satisfaction. This study will use a global measure to evaluate employee job satisfaction. Employee will be asked to answer on a 7-point Likert-type scale ranging from 1 (very dissatisfied) to 5 (very satisfied), "how satisfied or dissatisfied are you with your job overall."

*Personal demographic variables.* This demographic variables including the gender, age, the term of this job and the education.

#### Data Analysis

Descriptive statistics and reliability analysis will be analyzed using SPSS. The data will be analyzed with structural equation modeling (SEM). Before an evaluation of the structural part if the model, this study will performe a confirmatory factor analysis (CFA) as it is recommended by Anderson and Gerbing (1988).

#### Result

This study expects to explore the relationship between the empowerment and job satisfaction to understand the first-line employee. It is hoped that the result of this study can help the researchers to understand how empowerment is practiced in the industry at either socio- structure empowerment or psychological empowerment. Explore which types of empowerment is more common in the industry and will be more positive affect the job satisfaction. The industry can delegate to their employees or empower to increase their confidence, thus the service quality will be better. This study is a working paper and the data will be collected on April, 2018. It is wished the result can have the opportunity to present in the ATHMM 2018.

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# IMPACT OF SOCIAL MEDIA CONTRIBUTING TO PURCHASE DECISION: CASE STUDY OF SPA AND WELLNESS BUSINESS IN BANGKOK

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## Abstract

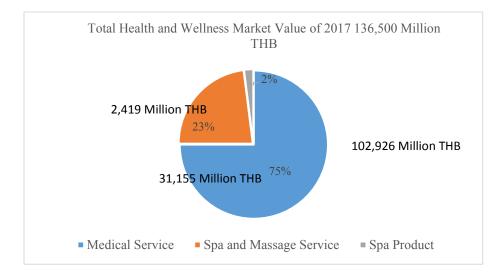
Today's customer behavioral study become more challenging due to technology growth. The internet and social media become a part of city life-style, particularly focus on Thai customers in Bangkok who have similar pattern of living with a larger number of smartphone users. This paper offers situational analysis of purchase decision on spa and wellness business, focusing on Bangkok service operators. Which start from overview how social media engage in step-by-step of purchase decision, including need recognition, information search, evolution of alternative, purchase decision and post-purchase behavior of spa and wellness customers. Intensive observation, as a medium size spa owner, is the beginning of the research study, then, survey of 100 respondents are extended throughout Bangkok and selected 20 participants in focus group are interviewed to answer research question. Survey results present that customers tend to be engaged by social media starting from prior-to-purchase, while using the service until after purchase. Furthermore, they rely on shared information from past customer experience as an important factor of purchase decision. The implication of this study can be resulted in developing value-added marketing strategies through social media and learn how to manage customer experience effectively and further study for spa and wellness entrepreneurs.

Keywords: Consumer behaviors, spa and wellness, viral marketing, purchase decision, hospitality

#### Introduction

"Social media has changed the way people interact amongst themselves and with their media," (Hank Wasiak:2010), which they have an essential impact on customer engagement. In the past, 4 P's is the main discussion on marketing mix. Nowadays, social media has expanded this to include a fifth P which is "People" Therefore, many platforms are widely used as business connection between the firm and their customer throughout Thailand, for example, Facebook, Instagram, Google My Business. Currently many SMEs or large businesses have chosen social media as the substantive tools in order to establish direct connectives between the firms and their target customer. And it is accepted that social media is described as an active tool to promote about products and services as an alternative more than traditional mediums such as television, print and radio.

Aligned with the twelfth national economic and social development plan (2017-2021), healthcare sectors become one of the potential focus of medical tourism economy. The country has demonstrated its capacity of becoming an Asian's Medical Hubs by its outstanding medical foundation that includes premium medical services, qualified healthcare specialists and various internationally accredited medical facilities. (Thailand Board of Investment 2016).



Base on above figure, from total Health and Wellness Market Value of 136,500 Million THB as of 2017, Spa and Massage Service has reach 23% of 31,155 Million THB, which presents additional opportunities for business growth. Moreover, with development of Thai Traditional Medicine programs which are extended as a free or paid training course provided by both government authorities and private sectors, qualified Thai massage therapists are an asset to start-up spa business in Thailand.

Like other countries, social network user penetration in Thailand has increase continuously. Nowadays, people use social media to present their individual identity, e.g. lifestyle, eating habits, personal opinion towards current issue around community which can be benefit to track customer behaviors in order to create competitive advantage. However, the freedom of social usage is challenging for business operators in term of monitoring and control of unexpected massage on social media. Hence, impact of social media usage of customers in spa and wellness context is brought to discuss through this research paper. This aims to provide information regarding customer behavior of social media usage and how impact customer purchasing decision. At the bottom line, understanding of social media habit can lead business to be able to create high impact contents and use positive points of social media as a part of additional business growth.

## **Research** objectives

The purpose of this study has its main aim to analyze the impact of social media, particularly main social media that have been use as a marketing tools of Spa and Wellness Business in Thailand, Facebook, Line, Line At, Twitter and Youtube, on Spa and Wellness customer' consumption patterns. These also examine on how customer react to different content created by the business or other internet users,

The research has been done to answer the following questions,

- 1. What are the sequence of social media using in Customer Buying Process of Spa and Wellness consumption pattern?
- 2. How customer select information via social media before buying decision?
- 3. Which stimuli on social media content are more important in determining the customer's intention to use the service?
- 4. What are customer social media engagement behaviors during customer buying process?

# Literature reviews

# Current Situation in Spa and wellness business in Thailand

Thailand is well-known as one of the county that reach the highest potential in health promotion service. Since 2000, Thai government had focused on improving spa and wellness business to meet international standard, from 11<sup>th</sup> to 12<sup>th</sup> national economic and social development plan, spa and wellness business are determined as one of the main focus under Ministry of Public strategic model of "*Thai as World Class Healthcare Destination*".

According to Notification of the Ministry of Public Health B.E. 2551 (2008), And Service Enterprise Act B.E. 2509, Spa and wellness business in Thailand is defined as establishment of service that offers encouragement of holistic health., spa and wellness business which are classified into the following category, *Spa for Health* offers massage for health and aqua therapy as a main service which can be added with health and wellness promotion activity, for example, yoga, exercise, herbal steam and other alternative medicine, *Massage for Health* offer relaxing massage service which are non-remedy treatment, Thai traditional massage, reflexology, *Beauty Massage* offer cosmetic treatment which aimed to promote skin health, pedicure, manicure and facial rejuvenation.

Under this act, there are 2,053 spa and massage service salons that are certified standard by the Ministry of Public Health, divided by area of service as follow,

Area of Service	Number of Shops	Percentage
Bangkok	1,790	88.40 %
Central Provinces	113	4.24 %
Northeast Provinces	23	1.09 %
Southern Provinces	124	6.12 %
North Provinces	3	0.15 %
	Total 2,053	100.00 %

Table 1 Number of certified spa and massage service salons divided by area of service

Divided by type of service, number of spa and wellness business are shown as;

Table 2 Number of certified spa and massage service salons divided type of service

Type of Service	Number of Shops	Percentage	
Spa for health	531	25.86 %	
Massage for health	1,217	59.28 %	
Massage for beauty	305	14.86 %	
	Total 2,053	100.00 %	

Consequently, spa and wellness business in Thailand has expanded in over all part of the country as specially in Bangkok and throughout tourist attraction area. Due to the fact that Thailand has our competence in all factor, including, human resources, location, herb cultivation, service-mined and uniqueness of Thai traditional medicine, start-up spa and wellness business is very competitive in term of marketing environment.

# **Consumer Buying Decision Process Model**

As mentioned on type of service, Spa and Wellness is mainly serving individuals who has expectations and perceptions concerning holistic health promotion which can be defined as Business-to-Customer (B2C) category where service providers have a direct relationship with end-users and purchase can be impulse through customer buying decision process (Pfoertsch, W. et al, 2007). According to Philip Kotler, the typical buying process involves five stages the consumer passes through described as under (Kolter.P: 2009). Starting from *Need recognition*, the first stage when buyer recognizes a problem or need. In spa and wellness business, need recognition which can be triggered by internal stimuli which from personal psychical conditions of the customer e.g. fatigue or office syndrome symptom and can also be impulse by external stimuli e.g. current marketing promotion, word-of-mouth, and media advertising.

Secondly, *Information search* is the stage of the buyer decision process in which the consumer is motivated to search for more information. Traditionally, consumers have received the most information about a product and service from commercial advertisement that provided by the marketer. However, in digital era, customers are able to access to information from anywhere at any time and viral marketing become informative source that customers presume and trust on its reliability, e.g. Pantip.com is the most famous Thai website which is currently ranked as the fifth most visit website by Alex. Pantip.com, only ranked after Google, YouTube and Facebook, is the most popular Thai website that serve online space for discussion, sharing experience through webboard and forums. Therefore, pantip is become a powerful tool to explore information that is involving with Thai consumer's life style, including spa and wellness business, for example, recommendation of massage shop, reviews from past experience user, and feeling towards the spa service.

Next, *Evaluation of alternatives* is the stage of the buyer decision process in which the consumer uses information to evaluate alternative brands in the choice set. An evaluation step can be depended on the consumer and the buying situation. Today, online consumers have more variety criteria to evaluate their preference, customers are not on looking for only quality of product and service, but also they search for online reviews, other user experience, or number people who engage with online activities as part of their decision making. Apart from Google search engine,

in Thailand, there are many social life-style platform, e.g. Wangnai.com, which provide information and allow audience to express their opinions to share their experience and it is noticeable that people are more rely on these sites.

Moreover, *Purchase decision* is occurred when buyers make decision on specific shop, brand or product to purchase which can be influenced by attitudes of others and unexpected situation. Once decision is made, social media still engage in this stage. Social media users always continue using their device to be in touch with their circles. Therefore, two-way-communication between customer and the shops is important to ensure of customer present or provide the easiest way of booking.

Lastly, *Post-purchase behavior* is the stage of the buyer decision process in which consumers take further action after purchase, based on their satisfaction or dissatisfaction. In this context, social media can be vital tools that customer can express their feeling and attitude. Main social media platforms allow users to share and express their feeling through the panel, e.g. Facebook fanpage allow user to review, share, check-in and keep updating their activity real-time. This can be challenge of the business to beware of customer satisfaction since freedom in using social media can be double-edge-sward since miss-handling with customer can cause viral easily.

# Social Media as an Opinion Leader

Kotler also extend his context of customers' buying behavior and purchase decision are influence by four factors including Cultural factors, Social factor, Personal factors and Psychological factors (Kotler 2009) which can become fundamental consider to develop campaigns on social media. From social factor, opinion leader is one of the factor that lead buyer's decision which defined as a reference group with special skills, knowledge, personality, or other characteristics that can exert social influence on others. In this spa and wellness study context, opinion leaders have strong influence on purchase decision. Due to a number of spa operators that cause the business become highly competitive, word-of-mouth can play dominant role to create value-added to customers. With current feature of Facebook, user can share activities as a story line in many functions, including photos, record and live videos, reaction through emoji like, angry, lover, wow, with all their friend. These also can create organic influence content to audience especially users who have many fan and followers. For example, customers can share freely share their feeling while using the service, write a review and rank stared which can be seen by their network. Moreover, net idol or internet celebrity, is the term of social media user who achieve and gain popularity on the internet, these group have been used widely as a marketing tools to advertise about product and service in Thailand. Consequently, everyone on social media can be considered as an influencer who affect attitude and behavior among their friends and other audiences.

# Thai Customer's Life style in Digital Era

In the past decade, Thai consumer life style has change drastically, in 2008, TV was majority, more than 90%, of media consumption in all ages. However, in 2017, mobile activities and online

activities have played dominant roles in customers' lifestyle especially young age, (15-24 year), 74% of media consumption was from online activities, in the same way, it continues increasing adult (25-39) and middle-aged (above 40) (IPG Mediabrands). From the survey of Electronic Transactions Development Agency 2013, for Thai adult, online activities is mostly on checking e-mails of 54.4%, then information browsing of 52.6% and 33.3% with social network. Based on this service, 93.8% of respondents experienced using social media for the purpose of test massaging, experience sharing, discussing their opinion, following lasted updated news in their own community and sharing personal photo and VDO. Moreover, more than half of respondents who experienced using social media used to purchase or search for product and service via social media which the most popular social media used are Google, Facebook and Line.

Therefore, in Thailand, media advertising is now practiced differently in order to attract digital life-style customers. And Social media a potential and lowest cost to initiate two-way communication and content sharing among business existing and prospective customer. (Social Media marketing 2014). From industry outlook, as mentioned, spa and wellness business is mostly listed as SME or sole proprietorship, Pradon Sirakovit, group head, Strategy & Innovation, IPG Mediabrands Thailand has suggested media strategy for SME over three platforms. Starting from *creating awareness*, SME must establish customer awareness on Facebook either through paid or earned strategies. Secondly, *content creation*, video clips can be delivered through YouTube so that customer can be educated upon brand and produces in reality. Next, *Customer Engagement*, SME should always interact with consumers instantaneously by answering questions and response to receive feedback through LINE.

## Methodology

Consumer behavior can be studies by both qualitative and quantitative research. Therefore, the impact of social media contributing to purchase decision of Spa and Wellness Business in Thailand were done under variety of methodologies, the primary data were gained from observing on consumer pattern describe by professional experience as a founder for medium size Spa Shop in Bangkok and currents digital media that were used by which linkage between customer behavior and social media. Moreover, focus group interview and survey form were given in order to explore the behavior of spa and wellness customer's behavior. In summary, primary data research was use in this research paper as below

## a) Observation

Observation is a systematic data collection approach. With extensive experience in spa and wellness business, the author used empirical experience, to examine customer naturally occurring behavior involving social media interactions.

# b) Interview Focus-Group

Focus-Group research method, by purposive sampling, was used an extensive literature review for customers' consumption pattern. Experienced using spa and wellness service customers, aged 18-

45, both male and female were interviewed regarding their social media usage behaviors from prior to purchase, while using the service until post purchase, also their opinions and psychological feelings towards social media contents.

# c) Data Collections

In order to examine an engagement of social media in spa and wellness consumption pattern, questionnaires were contributed via online Google Form to target audience who the member of any social media. In the survey form, respondents were required to identify their consumption patterns by frequency of visit, information sourcing method, frequent search engine use for service browsing, and select on multiple choices provided.

In research data collection, levels of social impulsion in different dimensions and social media platform preferences were assessed by ranking method which allow respondents to put number of given options by their order of preferences. Lastly, social media behaviors were surveyed by using Rensi Likert which way of measuring a respondent's habits of using social media. In this survey, Rensis Likert scale is used to assess the feelings and attitudes of the respondents by letting them rate their behavior by level of frequency. (Gliem and Gliem, 2003) Scale ranks from one to five is illustrated as follows;

# 1: Never, 2: Rarely, 3: Neutral, 4: Always, 5: All the time

Furthermore, secondary data analysis has been through analyzing of both informatics and numeric data from relating government agencies, e.g. Department of Trade Negotiations, Thailand Board of Investment, and essential information regarding medical service in Economic Model 4.0 from twelfth national economic and social development plan (2017-2021), as well as current discussion on Spa and Wellness from Thai Spa Associations and news articles.

# Finding

# Finding from observation

As a founder of Thanya Aroma Massage and Spa, founded in 2013, located in Bangkok, and has been involved with social media marketing activities which connect the shop and clients, social media is used as a main channel to communicate shop's all marketing mix. At the beginning of the service, customers' feedbacks were collected and found interesting fact that most of the first time customer learn about the shop from search engine and social media. As learnt, Thanya Spa has developed more content and keep online activities active and up-to-date viral post and it became usual habits of all existing and prospective customer whenever visit the shop.

Now, Thanya Aroma Massage and spa are using the following platform, Facebook, Google Map, Google Plus, Youtube, Blogspot and line. Facebook is the main channel of digital advertising, but customers prefer to establish first time contact via phone call, after the called, most of the customer phone number are connected to shop's line ID which allow customer to have two-way-

communication through line for second time purchase. Along with social media advertising, Thanya Spa also focus on customer service, this also cause increasing number of organic review rapidly, if there any mid-handling or negative feedback, customers always called and asked as a process of service recovery.

Furthermore, pinned on Google map is a commercial connection which present where business located, most of the customers have no problem to find the shop's location and also initiate their willingness to search for information or ask the shop to share location prior to visit. Some customers also left and read review on Google map platform. Moreover, blogspot is used as a free marketing tools to issue press release, updated news, information on a particular matter relating to spa and wellness business. Blogspot can rarely establish connection with customer, but provide most SEO benefits for the shop. Lastly, Thanya Spa also appeared in local super life style platform, e.g. Wongni.com, traveloka and EDT: Eat Drink Travel.

In summary, from observing Thanya Aroma Massage and Spa can be the case study that motived the author to design interview question for focus group interview section. Founding that most of Thanya Spa Aroma first time customers are attracted by number of review from the shop's Facebook, they always called to book and allow waiting time by few hours. Almost all of customers find the shop from Google and click for more information on Facebook fanpage. A number of customers were impulse to visit the shop from seeing social media friend chat-likeshare and engage on Facebook.

# Interview Data Findings

Twenty-five interviewees experienced using spa and wellness service and appear on social media were interviewed regarding their social media usage behaviors. All the interviewees stated that they experience and familiar in using social media on a daily life. The interviewers are asked to answer open-ended question and choose among alternative, finding result are below;

# Information Searching habits on social media

This interview section is aimed to answer sequence of social media using in customer buying process of spa and wellness consumption pattern. Firstly, search engine tools were discussed, majority of the interviewees, more than 70%, use Google in a process of information finding, followed by Facebook while there are few interviewees prefer to use instagram and local search engine like pantip.com. Next, based on their buying decision process, interviewee also keep on using internet to read on other user experience on social media, browse for more photo and vdo clip, while few people ignore browsing for more information once the decisions were made. From this interview, number of shops searched was also being discussed, founded that 2-3 shops were searched in the same time as the highest while few of them focus on searching for one shop at the time. At the end, waiting time of service booking is also asked in order to summarize level of patience, most of them require service in the same day after searched which waiting time for

service can be allowed by maximum 3 hour, while minority said they book for the service 1 day in advance and some of the just walk-in after searched.

# Social Media Stimuli

Impulsion for social media that impact consumer buying process were mainly investigated in order to learn type of social media content that can attract customer to make decision while purchasing. Surprisingly, major of the interviewees define number of engagement in social media is the first attraction that motivated them to go more for further part of searching. Moreover, more than half of them discuss about photo and vdo clip and text described about product and service. Besides, shared content attractiveness was discussed, they mentioned about referral or word-of-month that have highest impact on their decision making which are shared activities from social friend, follow by public post from other social media users who are not in their circles, actor/actress well-known celebrity, and famous blogger and net idol respectively.

"I used to see my friend share his massage experience on his Facebook and next day I visit for massage service." (Respondent A)

"Even though I know some blogger are paid, but it is still attracted me to try out the service"

# (Respondent B)

"I did check the post that have hastag, even I don't know Facebook user personally." (Respondent C)

"I follow many celebrity Instagram and follow their activities" (Respondent D)

Additionally, based interviewees' expectation, they expect to learn more spa and wellness product and service through Facebook fanpage as a priority, besides, Google map and Line are mentioned as anticipating social media platforms.

# Social Media Habits

Respondent's social media habits towards spa and wellness customer decision model were analyzed by the level of frequency which are Never, Rarely, Neutral, Always, All the time, which are scored as 1, 2, 3, 4, and 5 respectively. Likert scale ranging from the lowest level of frequency to the highest level of frequency, as result, score from social media habits are interpreted as below;

Never = 1.00 - 1.80, Rarely = 1.81 - 2.60, Neutral = 2.61 - 3.40, Always = 3.41 - 4.20, All the time = 4.21 - 5.00

Table 3 - Average of social media habits during prior-to-purchase, during purchase and post purchase

Questions	Average Score	Interpretation
You always read customer review on social media	3.44	Always
You participate in online activities offered from the shop	2.33	Rarely
Positive Review on social media impulse you to buy more	3.51	Always
Negative review on social media make you NOT visiting the spa shop	3.29	Neutral
If you are satisfied with the service, you would rank the start on their social media	al 2.98	Neutral
If the service is not satisfied, you wrote and complain on social media	2.55	Rarely
While using the service, you always share your activities to social media?	2.48	Rarely
You use social media as a source information search and reservation	2.92	Neutral
You always check-in while using the service	2.64	Neutral
You use social media to recommend others on spa and massage service	3.02	Neutral

From table3, it is illustrated the respondents have noticeable frequency of social media reviews reading as an average of 3.44 / 5.0. Likewise, positive and negative review also show higher score above average. Other than that, past experience from other social media users also shows dominant score of 3.02/5.0.

#### Conclusion

Social Media play vital role in two-way-communicating between company and consumers since they are able to reach to potential customers and create impulsive content to draw attraction from audience. Moreover, this media can be used as a major part of advertising SME by word-of moth. Resulting from data finding, Google is the first search engine that most customers use for information searching step, by all means, spa and wellness business operator should continue process to push their business appear on first page of search engine. Furthermore, Facebook is the second mean where customer search. This points out that the business should be at least register on Facebook as well as actively build-up and update posts to be seen by local website, as Pantip.com. From the interview data, customers mostly have their 2-3 alternative by the time of purchasing, this should warn spa operator to overview competitor performing in social media as well.

#### Social Media Content

Once social media account is set-up in various platform, the operator should provide wellrounded infographic which impact customer decision for example, professional photo, clear contact number or ways of contact, opening hour and correct location on Google map. It is noticeable that customers are impulse by photo or live vdo presenting of the service. They expect to see watch real experience of existing customer as a part of their decision making Next, nature of the customer while searching is also important to be learnt. Therefore, spa and wellness business operator should understand searching behavior and produce content with wording related to type of spa massage that they are looking for, for instance, foot massage, aroma massage, spa service or spa shop near location, good massage, and therapy, etc. Besides, symptom and health condition that can be cured by spa and massage therapy, for example, migraine, office syndrome, fatigue, insomnia, thai herb. In summary, content on social media can be powerful in impulse buying. Spa and wellness service operator should prepare set of media presenting shop ambience as well as service activities as a part of marketing plan.

### Managing Customer Experience

Resulting from social media habit customer are expecting to communicate with the shop through phone call, line and Facebook messenger. Therefore, not only social media content, customer experience is also the critical point to manage along with digital marketing. Spa and wellness business operation should set-up real-time connection between social account and physical shop by providing responsive assistant to interact with customer with product and service information, and make service connection from online as one stop service as many as possible to increase business opportunity. Moreover, from the data finding, customers pay attention on reviews and past user experience as a serious part of Positive online feedbacks can stimulate other customers to initiate their first-time visiting or repeat buying while negative reviews are taken as a reliable opinion for customer to make a judgement. Therefore, once creating "moment of Truth", business should let customer share their experience of what they feel or have real test of the product or service. This can be high possible way to build up high impact media to other target customers. Especially, customers tend to trust their social media friend as an influencer on selecting the service, with this point, spa and wellness business may create online promotion campaign to convince existing customer to share their experience, for example, discount on sharing photo while having a massage, offer free online coupon for adding line account, tag at 5 least person to get discount.

In conclusion, for spa and wellness business, customers are engaged with social in every steps of their purchase decisions. However, in order to maintain customer satisfaction, besides social media contents, business operators should always focus on customer service. Managing customers experience in both online and offline presence always lead utmost benefit in hospitality business.

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# THE LEADERSHIP IN THE KITCHEN : AUTHORITARIAN LEADERSHIP, MENTORING, WORKING STRESS AND WORKPLACE BULLY

Chi-Yu Lin and Kay H. Chu

#### 1. Introduction

By the end of 2016, the employed population of accommodation and catering industry in Taiwan had reached the number of four hundred thousand. It created the annual revenue of 439.4 billion dollar in 2016. It was growing by about 1.04% from a year earlier, and still progress steadily. In this year, the entry rate of accommodation and catering industry is 4.48% and the exit rate is about 4.23%. It was a dramatical number of most of the industries in Taiwan. Moreover, the entry and exit rate of employed population under 25 years old were 10.33% and 10.86%. (Directorate-General of Budget, R.O.C, 2015). This phenomenon affects both the service quality and the bottom line. Moreover, the customer satisfaction and customer loyalty will also be affected (Hinkin & Tracey,2000). Richard, Joseph & Billy (2001) proposed that the high turnover rate has always been a problem that has not been solved in the catering industry.

And it has been the first problem need to be solved in the relevant management issues. But what the most basic problem leads to the high turnover rate, is needed to be mentioned.

There are four high in the kitchen, high-temperature, high pressure, high working hours and highrisk. It is an important responsibility for upper leaders is to make sure employees can work in a safe working environment. The service quality and the productivity are also included. To ensure the accuracy of action and reduce the possibility of danger, leaders may manage kitchen with authoritarian style. It can help them to achieve the required standard and quality. However, according to White & Lippitt's study (1968) which appeared that authoritarian leader can make employees feel disrespected, receiving and producing negative emotions, poorer creativity, and be passive while working, etc.,

#### Key words: authoritarian leadership, mentoring, workplace bullying, working pressure

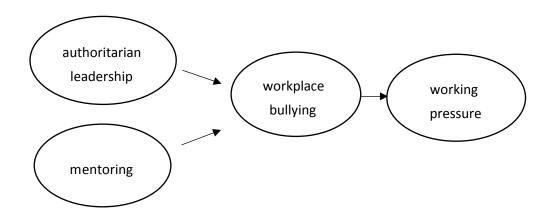
#### 1-2. Research objective

Based on the above introduction, the purpose of this research is as follow:

(a) to discuss the source of working pressure of staff in the kitchen in the hotel.

(b) to investigate the workplace bullying among interns in the hotel's kitchen. (c) to explore the relationship between the authoritarian leadership and working pressure and bullying of the staff in the kitchen.

#### 1-3 Research Framework and Hypothesis



(a) The authoritarian leadership of leaders has a significant positive correlation with workplace bullying.

(b) There is a significant positive correlation between negative mentoring and workplace bullying.

(c) There is a significant positive correlation between the workplace bullying and working pressure

#### 2. Literature review

#### 2-1 Working pressure

Kitchens are normally known as the problem as poor working environment, high working hours, unpredictable danger, labor intensive and so on. It will cause negative influence of employees such as high working pressure and turnover intention. What's more, the service quality and customer satisfaction will also be affected. Kroes(1976) believed that the improper oppression at work caused the people to be uneasy or unhappy, and felt that the difficulties and feelings of helplessness on working were part of the pressure of work. It will affect both physical and mental health problems to the employees. (French, Rodgers and Cobb, 1974). Matteson and Ivancevich (1987) pointed out that the absenteeism and the loss of productivity caused by working pressure will lead to the number about \$30 billion a year. It is considered that it will be a larger number in nowadays society. Different professional all have different work environment. Due to the different

culture in organization the employee will be suffered from different kind of working pressure. (Lan, 2005).

The lack of job security, longer working hours, low pay and career features such as low achievement, or the unfair treatment from leader will cause the basic staff on kitchen more working pressure of potential factor (Lee, 2008). Working pressure will lead to employees' frustration, anxiety, nervousness, or even depression reaction. They may borrow comfort working pressure by drinking and smoking tobacco becoming a general phenomenon of Taiwan traditional kitchen.

# 2-2 Authoritarian leadership

Traditionally, the leadership style in Taiwanese kitchen has been adopted mostly authoritarian style for the easy management. But there are lots of negative effect because of the poor interaction between mentors and apprentices. They are endured from long working hours, abusing themselves, workplace bullying and so on. Strict authoritarian leadership is now becoming a special kind of workplace culture in Taiwan. While the students offend their mentor or make mistakes will be scold or physical abused. Tepper (2000) defined this situation as improper supervision which is the negative response to the managers' verbal or nonverbal hostile behavior. Eby et al. (2000) pointed out that the specific violence caused by the supervisor's ability to restrict subordinates' abilities was a kind of negative experience and a case of bullying in the workplace.

# 2-3 Mentoring

When the employees work under pressure, the productivity will decrease. It will make a lose-lose situation between leaders and employees. Kram & Hall (1989) point out that the establishing of mentoring can help workers release working pressure. Mentoring system is now commonly applied in the accommodation and catering service industry. It has become a unique culture and importance in Chinese society. It not only can pass on the knowledge or skills in the kitchen but also transmit the experience between mentors and apprentices.

However, when the mentoring relationship develop unsuccessfully. It will cause the gap between mentor and apprentices (Kram, 1985). When the negative mentoring happened in kitchen, it will not only affect individual but also be a great harm to the entire organization.

# 2-4 Workplace bullying

Einarsen(1999) defined workplace bullying as a long term unfair treatment which was caused by other members in the organization or group or even unreasonable violence intimidation. Workplace bullying can be considered as a kind of extreme social pressure source which comes from other member of the organization. Whether this behavior is intentional or not, it really caused humiliated, offensive and painful to the interns. Besides, the working performance will become lower and the working environment will be unpleasant. (Einarsen & Raknes, 1997).

Bullying in the kitchen is an unstoppable scandal especially in the new graduate. (Mohd, Rahman & Mohaini, 2010). Because of the strict hierarchy system and clear division of labor relations, the possibility of workplace bullying is higher than other profession.

## 3.Method

Questionnaire survey will be used in this research. Because the staff class system in the hotel is relatively clear than other organization. And the subjects will be the staff in the kitchen affiliated to the hotel. The basic staff includes internship students.

## 3-1 Data collection

The questionnaire will be issued to the hotel kitchen staff through internet randomly. It is expected to collect at least 300 responses for the research. The survey period will be hold in April,2018.

## 3-2 Data Analysis

Descriptive statistics, related analysis, reliability analysis, confirmatory factor analysis and the structural equation will be used to exam the relationship between authoritarian leadership, mentoring, working pressure and workplace bullying. The analysis will be finished by the end of May,2018.

## 4. Finding

The result of this research will exam the relationship between mentoring, authoritarian leadership, working pressure and workplace bullying. It is hoped that the result of this research can make the industry be more aware of authoritarian leadership and workplace bullying. Managers will comprehend the problem and influences caused by the authoritarian leadership and the negative mentoring. Suggestion and the strategies will be provided to the industry practitioners to reduce the workplace bullying caused by negative mentoring and authoritarian leadership. Last but not the least, it will reduce the unnecessary loss that is caused by the high turnover rate.

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# MEASURING SERVICE QUALITY DIFFERENCES IN ONLINE AND OFFLINE CONTEXT: AN EMPIRICAL INVESTIGATION OF A CORPORATE TRAVEL AGENCY

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## Abstract

Corporate Travel Agencies facilitate corporate travelers by providing a range of services. Online services are provided as supplementary to offline services. this study aims to explore the differences between online and offline service quality (SQ) perceived by corporate customer by applying the SERVQUAL instruments. The study used the data collected by a large corporate travel company in Canada. Research findings indicate that that for online service type, assurance, responsiveness and empathy affect perceived SQ whereas for offline service type, assurance, empathy and tangible are the three dimensions of perceived SQ.

Keywords: Keywords: Corporate Travel Agency, SERVQUAL, Service Quality, HRG

## Introduction

Service quality (SQ) is a key factor for the success of Corporate Travel Agencies (CTAs). Corporate travel agencies aim to provide business travel services while at the same time facilitating corporations to realize business goals by exercising financial controls, implementing corporate travel policies, offering savings through negotiated discounts, serving as a valuable information center, and ensuring travel efficiency. Despite the importance of service quality to CTAs, very few studies have examined service quality in the CTA context. To fill the gap, the study aims to examine the impact of service quality on customer satisfaction both in online and offline contexts.

### Literature review

Service quality has become a focus of many academic studies as today's increasingly fierce competition forces firms to improve the quality of services provided to attract and retain customers. However, the concept service quality is a topic of debates due to three characteristics of services: intangibility, heterogeneity, and inseparability (Schneider & White, 2004).

*Intangible*. Being different from "Goods", "Services" are intangible, as they cannot be seen, touched, and verified in advance of sales to assure quality (PZB, 1985). They are process and performance rather than objects (Schneider & White, 2004). Unlike production of goods, services have no physical materialization (Schneider & White, 2004). This intangibility perspective results in the difficulty of understanding customers' perception and service quality evaluation.

*Heterogeneity.* "Services production and delivery frequently involve the interaction of both service personnel and customers, and the human element in this production and delivery process can result in no two service instances being identical." (Schneider & White, 2004, p. 8). Different customers might have different expectation and experience, or different service personnel might service the same customers differently. The same demands might be satisfied differently depending on people involved. In other words, services customers received may not be the same as what the firm intends to deliver. (PZB 1985). The heterogeneity perspective of service makes it difficult to control service quality even though service standards are followed (Schneider & White, 2004).

*Inseparability*. Inseparability refers to that the fact that the production and consumption of services cannot be separated. That is, services occur during the service delivery from service firm personnel to customers. Thus, the inseparability nature of services makes it difficult for service firms to fully control service quality since customers experience service quality during service delivery (PZB 1985).

Because of the intangibility, inseparability and heterogeneity nature of services, what constitutes service quality generates a lot of debates. For example, Fonesca (2009) believes that service quality equals customer satisfaction. Similarly, Schneider & White (2004) argue that service quality should be defined based on individual service experience. In contrast, Gornroos (1984) contends that service quality encompasses two dimensions: technical (a subjective evaluation of how customers perceive services) and functional (an objective assessment of what service content influence the customers). PZB point out the additional complexity of the concept of service quality, which reflects "a comparison of consumer expectations with actual service performance" as well as the evaluation of both the outcome of a service and the process of the service (PZB 1985, p. 2). Based on their focus group interviews, PZB propose service quality encompass ten key aspects of services: Reliability, Responsiveness, Competence, Assess, Courtesy, Communication, Credibility, Security, Understanding and Tangible (1985).

# Methodology

Based on SERVQUAL, we have developed a research model for measuring service quality of a CTA, where the relationships of the six variables were hypothesized, that is: tangibility, reliability, responsiveness, assurance, empathy and satisfaction. To empirically test the proposed CTA SQ conceptual model, a set of secondary survey data of "Welcome Back Survey" from HRG, one of the top 5 corporate travel agencies in North America (Business Travel News, 2014), was used. This survey is part of the travel services contract, and is collected from the clients when they book their travel either online or offline. For this study, 2014 and 2015 survey data was used. Total 25,592 survey questionnaires were sent and 1,315 were responded. The response rate was 8%. The study employed Partial Least Square (PLS). The measurement model was assessed by checking construct validity as well as reliability. The complete model for the offline context explains 57.5% of variance of satisfaction, and the model for the online context explains 53.9% of variance of satisfaction.

## Results

Of the five dimensions, assurance, empathy, tangible are three significant predictors of satisfaction. In particular, assurance exerts the strongest influence on customer satisfaction, followed by empathy and tangible. Responsiveness and reliability appear not to be statistically significant in influencing customers' satisfaction levels (Tsang et al. 2010). The resting of the online model shows that assurance is the strongest predictor of customer satisfaction, followed by the responsiveness and the empathy. Other two dimensions of service quality, tangibility, and reliability appear not to be statistically significant in influencing customer satisfaction.

## Discussion

This study has explored the impact of the quality of services provided by a CTA on customer satisfaction and compared the impact between the online and offline context. Based on the PLS analysis results, our research shows that assurance and empathy are two salient predictors in both contexts, while tangibility is significant only in the offline context and responsiveness online.

By comparing online and offline booking, this study explained that a CTA SQ should focus on assurance and empathy in both contexts. The results also conclude that the SERVQAUL is applicable in corporate travel service quality measurement in both online and offline service categories.

The results of this study is useful for CTA business managers to identify the factors that influence service quality in both online booking and offline booking context. By analyzing over one thousand responses collected over two years, our findings indicate that empathy and assurance are the two common predictors of customer satisfaction in both contexts, while tangibility is a significant predictor of customer satisfaction only in the offline context and responsiveness online. The findings of the research shed light on the salient dimensions of service quality in the online and offline contexts, and offers insights to CTA practitioners on how they could improve service quality.

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# TRUST IN MEDICAL SERVIES FOR VISITORS FROM LOW-TRUST COUNTRIES: THE CASE OF SOUTH KOREA AND RUSSIAN MEDICAL TOURISTS

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### Abstract

This research is a work-in-progress that looks at the concept of trust as one of the "pull" factors to attract patients to a destination, combining the understanding on of the concept of "trust" from both medical and tourism literature. The aim of this research is to discover what trust in medical tourism is from the perspective of the consumer from a low-trust country and the provider from a high-trust destination, and how trust can be created to influence the perspective consumer's choice of a medical tourism destination.

Key Words: Trust, medical tourism, service marketing, Russia, South Korea, medical ethics

#### Introduction

Medical tourism happens when consumers choose to travel across international borders or to receive medical care (Lunt & Carrera, 2010; Turner & Hodges, 2012). Medical tourism ranges from the health care services including a cure and the wellness services including no specific health trouble, to amusement services (Connell, 2011). Medical tourists are patients who "engage with medical tourism through their own volition" (Lunt & Carrera, 2010:28). People engage in medical tourism for various complex reasons, mostly driven by patients' unmet needs, the nature of services sought and the access to treatments (Lunt & Carrera, 2010; Runnals & Carrera, 2012; Whittaker & Leng, 2016). There has been a discussion of the "push" factors that propel patients to travel abroad for medical tourism have also been researched to a certain degree, such as possibility of receiving VIP treatment, access to treatments illegal in the home country, lesser cost of care at the destinations, the reputation of the individual medical facilities (Frederick & Gan, 2015; Harris, 2011; Turner, 2012).

Medical tourism brings the issues of quality, accountability of doctors, patient safety, and other ethical and legal dimensions into light (Allsop, 2006; Harris, 2011; Lunt & Carrera, 2010). In particular, the crucial elements of informed consent and informed decision (Harris, 2011; Runnals & Carrera, 2012; Turner, 2012). Informed decision requires information being provided by third party experiences and word-of-mouth advice (Runnals & Carrera, 2012). However, most of the medical tourism is poorly documented and regulated (Turner & Hodges, 2012). Additionally, the risks, including the ones the patients do not necessarily encounter in their countries, are shifted onto the patients through contractual waivers, disclaimers and various other legal devices (Corter, 2012; Turner, 2012). Thus medical tourism has an impact on the dimension of trust, the factor that repeatedly makes an appearance in literature (Crookes et al., 2015; Wu et al., 2016).

### Literature review

From the medical ethics standpoint trust can be defined as "a particular level of the subjective probability with which an agent assesses that another agent or group of agents will perform a particular action, both before he can monitor such action (or independently of his capacity ever to be able to monitor it) and in a context in which it affects his own action." (Gambetta, 2000:216). Traditionally, trust between a patient and a doctor has been maintained by doctor's accountability and personal relationship with the doctor developed over the course of life; however, in the context of medical tourism with the absence of direct contact between the patient and the medical professional trust has to be renegotiated (Allsop, 2006). Because of the distance and language barriers most often medical tourism patients do not have an opportunity to communicate directly with doctors at destination hospitals. Medical tourism companies, or facilitators, fill in this gap and provide information for prospective and current patients (Lunt & Carrera, 2010; Snyder et al, 2012; Turner, 2012). Therefore, this situation potentially causes a conflict of interests between the service industry of medical tourism framed by GATS, where the main goal is to increase volume of sales and profits, and the "do not harm" postulate of the medical profession (Harris, 2011; Turner, 2012).

Trust has been researched before in the medical tourism, for example, the trust between the physicians and patients and the impact of patients deciding to engage in medical tourism on it, looking at the concept from the medical perspective (Crooks et al., 2015). In the context of South Korea trust has been researched as one of the variable for the repurchasing behavior in medical tourism, looking at it from the consumer behavior perspective (Han and Hyun, 2015). There has also been research conducted into trust in medical literature, for example, on the patients' trust in domestic medical professionals and domestic healthcare systems (Allsop, 2006). A substantial body of research looks into the role of trust in decision-making process, and linking it to branding and marketing (Chomvilailuk & Srisomyong, 2015; Lin, 2014; Woo, 2009; Wu et al, 2016).

This research-in-progress will attempt to look at the concept of trust as one of the "pull" facts that attracts patients to a destination. The research combines the discussion of what trust is and its importance from both medical and tourism literature. The aim of this research is to discover what trust in medical tourism is from the perspective of the consumer and the provider, and how trust can be created to influence the perspective consumer's choice of a medical tourism destination.

As the global medical tourism market has been growing dramatically, South Korea launched a promotional campaign to promote medical tourism in 2009. The number of visitors for health care or medical treatment has been increased gradually. According to Korea Medical Tourism Marketing report (2016) published by Korea Tourism Organization, the number of medical tourists to South Korea was 296,889 in 2015 from 60,201 in 2009, and the revenue was 669,400,000,000 KRW in 2015 which shows compound annual growth rate 51.8% since 2009. Therefore South Korea has been chosen as a destination country for this research project.

Russia has been selected as the target group for this research, as there has been a considerable decline in public trust in medical practitioners in the post-USSR region, the trend that has been noticeable in Western countries as well (Allsop, 2006). Russia & CIS countries' visitors are in the third place behind China and USA in visiting South Korea for medical tourism purposes. Moreover, they visit South Korea for expensive treatments for serious diseases and conditions, whereas Chinese tourists are mostly interested in plastic surgery and skin care treatments provided in South Korea. Because of visa-waiver agreements between South Korea and Russia achieved in 2014, the tourists from these two countries are able to stay in the each other's country for up to 60 days without visa. Hence, the number of Russians visiting South Korea for medical treatment has increased dramatically, with experts from the Russian tourism industry expecting that in 2018 the overall number of Russian tourists visiting South Korea will continue to grow. In 2016 there has been a 15%-increase in the number of tourists from Russia to the country, as compared to the year before (Korea Medical Tourism Marketing, 2016; Иванова, 2017). Even the brief search for the news about Russian tourism to South Korea brings ups a number of articles about airlines opening new routes between various Russian and Korean cities, which indicates clear expectation of the increase in traffic between two countries.

Medical tours are seen as one of the major services that are of interest to the Russian market (Иванова, 2017). Moreover, despite Russian tourists cutting their overseas spending, they still have remained the sixth highest spenders in 2015 among other nations; therefore it is likely that this group will stay capable of spending on expensive treatments for serious conditions abroad (UNWTO, 2016). Russian tourists generally hold positive views on South Korea as a medical tourism destination due to the high quality of medical services of Korean medical institutions, easy access to information, and relatively low risks involved with travel and medical procedures (An, 2014). However, it is not evident what trust actually means for this particular low-trust market, and how it can be created to influence the long-distance perspective consumer's choice of a medical tourism destination, which this research aims to discover. Therefore it is of a particular interest to the medical tourism to acknowledge the different needs this group of consumers might have when it comes to establishing trust for the long-term benefit of the industry.

## Methodology

The study will utilise the sequential mixed methods approach, implementing qualitative content analysis (QCA) followed by a quantitative survey. The initial stage of the project will utilise online qualitative content analysis. According to Bauer (2000), online content analysis is one of the empirical data collection methods in social sciences and it is highly recommended for research with rich data that requires interpretation (Schreier, 2012). QCA is interpretive, contextual, reflexive and inductive, with validity being of a particular importance. Additionally, it is variable-

oriented, which makes its results suitable for the subsequent use when developing a quantitative survey (Schreier, 2012).

Following the steps in QCA, the circumstances suggest choosing online discussions, personal accounts, feedback and reviews of former/current/perspective medical tourists from Russia, as well as websites of Russian medical tourism intermediaries, as suitable texts for this particular stage (Bauer, 2000). As there is a substantial number of the potential texts, their number for analysis will be reduced by applying certain criteria when sampling, e.g. they have to be produced within the certain timeframe, the personal accounts should not be sponsored, etc. The researcher will then adapt the open coding from grounded theory into QCA to create data-based coding frames. Open coding includes the following steps: conceptualising, defining and developing categories. The last stage of developing categories helps arrange those into hierarchical structures. Thus open coding is used to discover concepts in data that at a later stage will be used to develop variables for a survey (Schreier, 2012). QCA will be conducted on forums for Russian prospective medical tourists to find out what the pull factors for South Korea as a medical tourism destination are, and if trust is one of them, what creates trust for the prospective tourists (to identify variables for subsequent survey).

This results project will have both theoretical and practical contributions. It will add to the medical tourism theory by expanding the knowledge of what the concept of trust and its components are for medical tourists from low-trust countries. The research findings can also be applicable in marketing of medical tourism services to the low-trust markets by providing the marketers with the knowledge of how to create trust between perspective medical tourists and medical service providers in absence of the traditional communication between the patient and their doctor.

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# SURVIVING STRATEGIES IN A TRAVEL FRAGMENTATION WORLD: THE FUTURE OF ONLINE TRAVEL AGENTS

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### Abstract

E-commerce has provoked cutthroat competition in the travel market. Today, the travel industry has noticed the increasing fragmentation, as products start to become even more targeted and transparent. This "fragmentation" phenomenon can be mostly attributed to the proliferation of e-commerce or mobile commerce: travelers now have an easy way to search for upstream travel suppliers or any other web transaction platforms, such as hotels, airlines, or theme parks, Airbnb, Agoda, or any other kinds of entertainment tickets that match their exact needs. These travel fragmentation trends present a further competitive threat to online travel agents. Travel fragmentation is not inevitable and endless and it is not an unsolvable problem. The key issues for online travel agents are how to survive new trends and overcome disintermediation.

This project aims to conduct qualitative and quantitative research approach both on the target online travel agents and upstream suppliers. Their responses shall present much better insight into travelers' perceived information, interaction, and value in their online transaction intention. Besides, learn how online travel agencies and upstream suppliers get a positive attitude toward their websites under the forces of travel fragmentation's global trends. Offer additional insights from different types of online travel agencies in how to better target their strategic surviving activities. In the first year, this project will attempt to develop a measurement scale of above five dimensions in the uses and gratifications (U&G) theory model. The second year, adopting a quantitative analysis will expect to raise an optimal the surviving strategy model for travel industries. This project uses several statistical techniques, including confirmatory factor analysis, correlation analysis, and a linear structural relationship (LISREL), and also implements a structural equation to test. The reason to build surviving strategy is one of the most important and least studied questions in travel industry. Online travel agencies have faced increased competition from upstream travel suppliers' various websites, while Airbnb created a commission-based webplatform for travelers as a result of the burgeoning electronic and mobile commerce era. In hence, it is quite innovative in that no related studies so far have analyzed nor tried to discern the causeand-effect relationship among five dimensions of surviving strategy model for travel industries.

Key Words: Travel Agent, U&G theory, Travel Fragmentation, Disintermediation, E-Commerce

# PRESERVATION OF HISTORICAL LANDSCAPE, B&B LODGING SECTOR, AND PLACE MARKETING IN THE NATIONAL PARK: A CASE STUDY OF KINMEN, TAIWAN

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## Abstract

The main purposes of this research are to analyze the outsourcing policy of B& B management by government and adaptive reuse of traditional houses. By personal interviews, including Bed & Breakfast operators, National Park Service officials, the Kinmen county government officials, NGO leaders and other policy stakeholders, we analyze the critical issues of outsourcing policy of B& B management, adaptive reuse of traditional houses and their tourism planning implications.

The case study-Kinmen National Park is famous as a war battlefield, and its world's best preserved villages of southern Fujian traditional houses. The outsourcing policy enable the visitors not only to be engaged in tourism activities, but also enjoyed daily living and the local culture. In addition, outsourcing traditional houses as Bed & Breakfast also promote place marketing and preservation of historical landscape.

#### Keywords: Bed & Breakfast, Outsourcing, Adaptive Reuse, Historical Preservation, Institution

#### Section I Introduction

Environment and landscape conservation is a main task of the national park. However, how to preserve the visible landscape to adapt the tourists' demand and accessibility is still a challenging issue for tourism planners.

The goals of sustainable tourism emphasize meaningful tourism experiences instead of luxury services and facilities (World Tourism Organization, 2004). That is why B&B lodging sector is highly recommended because of low environmental impact and substantial economic contribution to the local communities.

There are still few researches which discuss the interaction between the lodging sector and landscape conservation in the national park. In the meantime, there are also few researches which discuss the adaptive reuse of historical buildings for tourism purpose.

The main purpose of this research is to analyze how the lodging sector and landscape conservation are beneficial to each other through institutional design in the national park. Taiwan's Kinmen National Park was chosen to be the case study to explore the formal institution of the national park authority.

# Section II Literature Review

A. Outsourcing of tourism services in the national park Since 1980s, USA National Park Service has been proceeded the privatization policy, including policy tools of public-private partnership, outsourcing, enterprise sponsorship (Moore, Urdaneta, & Stevens, 2008).

In year 2000, there was a conference held by WTO named "Tourism Partnership in Asia" in Bangkok, Thailand. A consensus of this conference was it did not exist a unique model of success for publicprivate partnership (World Tourism Organization, 2001a) Government and private sectors should have their own ability, function and role in the management of the national park, although some services can be provided by both of them(Eagles & McCool, 2001; World Tourism Organization, 2001a). Relating to the task of government sector, environmental protection, provision of tourism infrastructure, protection of tourists' safety, monitoring of tourism impact, evaluation of service quality, conflict management between recreational activities and environmental resources, decision of carrying capacity, provision of visitor information, interpretation service, and lodging services etc. are all included. The task of the private sector include proving services of lodging, food and beverage, transportation, visitor information, interpretation, travel souvenior, and entertainment etc..

Another conference named "Island Tourism in Asia and the Pacific" was held by WTO in Hainan, China. The conclusion of the conference emphasized the important role of the partnership among the policy stakeholders to promote sustainable development on island tourism. It also pointed out that the cultural identity and social fabrics of the local community could provide cultural experiences to the tourists. In addition, the tourists also brought job opportunities and money for the community economy (World Tourism Organization, 2001b).

B. Adaptive Reuse of Historical Buildings and Cultural Tourism From the viewpoint of cultural tourism, the role of heritage is getting more important than ever in the decision-making choice of tourists (Silberberg, 1995). At the same time, cultural tourism also becomes an important driving force in adaptive reusing of historical buildings (Stubbs, 2009:60-61). However, there is complicated interest conflict in heritage preservation among different stakeholders. Therefore, it is necessary to define policy stakeholders and ensure their participation under the objective of a fair and open public policy process (McKercher & Du Cros, 2002:180-182). Wu (2010) also pointed out that publicity and citizen participation were critical factors of the reusing of historical buildings in Taiwan.

According to the Turkey's case study provided by Yildirim & Turan (2012), the reuse types of accommodation, restaurant or retailing store will cause larger pressure than types of education, exhibition or other public interest functions to the original structure of historical buildings. The

reason is there is a lot of change and conversion of the building structure for the reuse types of accommodation, restaurant or retailing store. However, the previous reuse types have the weakness of raising funding for building renovation and maintenance. Yildirim(2012) also pointed out the reusing of historical buildings must be accompanied with the demand of contemporary society. New way of adaptive reuse must consider the factors such as location, settlement type, road etc. to enhance sense of place. Then, historical buildings could find their proper way to inherit the cultural values by themselves.

## **III.** Research Design

Since structure issues are suitable for the application of qualitative research methods, we adopt personal interview as our research method. Most scholars regard interview as a kind of dialogue and social interaction to understand the attitude and feelings of the respondents in the real world.

Semi-structured interview was adopted to proceed this research. The questions of semi-structured interview are prompt to the interactions between the respondents and researchers. According to the feedback of the respondents, researchers will rearrange the order and content of the questions. The respondents who were on our list including official of the national park, B& B operator, official of county government, and NGO leader etc.. Furthermore, the chosen respondents were representative B & B operators, officials in charge of the policy-making or administration at that time, and NGO leader involved in the policy. Before starting this research, I had been the consultant of the Kinmen County Government to consult the B & B operators for their business operation. This also meant the author have been familiar with the policy of county government and the national park.

The interview had been proceeded in the time period of 2009-2011. The time period lasted three years helped the author to get first -hand observation experiences of the evolution of government rules. It also helped me to gain trust from the respondents and to have deep discussion with them. The respondents were chosen by rolling stone sampling method. The average time of interview were two to three hours. And one of the respondents accepted followed interview for some extra questions.

Table List of Interview Respondents

# IV. Inductive Analysis and Discussion

Promoting Landscape Conservation and Place Marketing by Outsourcing B & B Management

The main motivation of outsourcing B & B management is to achieving the goal of landscape conservation of local villages. There are many owners of family-owned traditional houses because the inheritance rule and social custom. In addition, some of them do not live on the Kinmen island, but live in Taiwan, Southeast Asia, or other countries. Therefore, it is hard for the property owners

to get consensus of maintaining or selling the family-owned houses. From viewpoint of the new institutional economics, there is high transaction cost to deal with the family-owned houses. At the same time, wood structure and humid weather of island cause maintainence problems of termite, leaking roof, and wall mold. Therefore, the B & B operators have been helped to improve these problems and maintained the houses well.

The institutional design is original tenure give property use right to the national park authority for thirty years. Then, the traditional houses are renovated and outsourced by the national park authority. We have observed the outsourcing policy does help the landscape conservation, community cleanup and place marketing. Also, it makes sure the consistency between tourism planning and historical preservation. Indeed, tourism does have positive impact to the preservation of historic areas (Nasser, 2003).

Stimulating Brain Drain and Innovation by Outsourcing B & B Management

- A. Solving the Conflicts between Landscape Conservation and Tourism Accessibility
- B. Linking the Physical Reuse of Historical Buildings with Community Participation

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# TOURISTS' CONTINUED ENGAGEMENT INTENTION TOWARDS SMART TOURISM TECHNOLOGIES: APPLYING STIMULUS– ORGANISM–RESPONSE PARADIGM

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## Abstract

In tourism industry, smart tourism technology is merged as one of the most popular channels used by travel-related business operator to build up and sustain their communication and network with tourists before, during and after their trip. This study aimed to examined factors driving tourists' behavioral engagement intention towards smart tourism technologies by employing Stimulus-Organism-Response model. 441 valid responses were collected from tourists who was visiting Georgetown and used smart tourism technologies during their travel planning and used for partial least squares analysis. This study provides significant contribution to the existing literature regarding smart tourism technology by applying S-O-R model to examine how tourists perceived the smart tourism technologies characteristics (S) that lead to tourists' perceived benefit (O) and behavioral engagement intention towards smart tourism technologies (R).

Keywords: Behavioral Engagement Intention; Smart Tourism Technology; Stimulus–Organism– Response Paradigm

## Introduction

The term of "smart" become popular and fashionable in recent year (Caragliu, Del Bo, & Nijkamp, 2011). Many areas are now integrated with smart system such as education, health service, water supply, environmental conservation, infrastructure, public safety and security etc. with the aims for sustainable economic and societal growth and development (Hall, 2000). In tourism, prevalence of information technologies and high information-intensity of tourism has resulted in advent of smart tourism. Smart tourism sources, contents and services. Smart tourism refers to tourism which is supported by mixed efforts at a destination by using information technologies to harness, aggregate and collect the data from relevant sources, such government, travel-related organizations, infrastructure, social connections and reviews and transform the data into business value propositions and on-site experience for the purposes of sustainability, efficiency and enrichment of tourists' travel experience (Gretzel et al., 2015).

Smart tourism technologies are defined as any IT approach used by tourist for communication, information seeking, content generation and payment (Yoo et al., 2017). For examples, travel agencies' websites, mobile apps, personal blogs, reviews sites, social media, destination smart infrastructures etc. are known as smart tourism technologies (Huang et al., 2017). Smart tourism technologies provide all shareholders in tourism, including tourists, travel vendors, destination managers and service providers with more relevant information, greater mobility and better decision support, which in turn result in more enjoyable travel experience. These technologies become a necessary travel kit for tourists during their travel planning process, which offer customized, unique, innovative and novel travel services, such as context-aware services, autonomous agents searching, location-based recommendations, decision support services as well as augmented realities system support service (Gretzel et al., 2015). They create competitiveness among travel-related companies, which have developed a variety of complex marketing strategies to helps tourists in making more effective and informed decision (Huang et al., 2017). These services have enhanced and added value to tourists' travel experience and impelled them to have continuous engagement to use travel apps for their travel planning.

Engagement is closely related with a firm's profitability via customers' loyalty, their referral and sale growth (Oh et al. 2017). Behaviors engagement in technology drives the value and satisfaction towards the technology, which eventually lead to users' loyalty in future (Revels, Tojib, & Tsarenko, 2010). Tourists' continuous engagement is one of necessity of the success of smart tourism technologies. Smart tourism technologies providers should cultivate traveler's continuous engagement intention towards these technologies, instead of just focusing on tourists' adoption and continuous usage of the smart tourism technologies only. By cultivating and enhancing tourists' continuous engagement, the travel-related companies are able to create and maintain their communication and network with tourists, develop energetic and lively online community and thus build up a long term competitive edge. Therefore, it is important to understand the drivers of tourists' behavioral engagement intention towards smart tourism technologies.

Due to the notably impact of smart technologies in tourism industry, a number of studies have been conducted to focus on the different aspects of smart tourism and the associated technologies, which includes definition and foundations of smart tourism technology (Gretzel et al., 2015), travel decision support satisfaction with smart tourism technologies (Yoo et al., 2017), the role of exploration and exploitation in smart tourism technologies in travel planning (Huang et al., 2017), technology adoption during the planning phase of travel (Xiang, Magnini, & Fesenmaier, 2015). Although these studies have examined various kinds of technologies applied during travel planning and their attributes and users' adoption and satisfaction, none of the researches have examined the tourists' continuous engagement with smart tourism technologies based on the smart tourism technology characteristics. In order to fill the research gap in the literature of smart tourism technology, this study was conducted to examine empirically factors driving tourists' continued engagement intention towards smart tourism technologies by employing Stimulus-Organism-Response model. This study provides significant contribution to the existing literature regarding smart tourism technology by applying S-O-R model to examine how tourists perceived the smart tourism technologies characteristics (S) that lead to tourists' attributes (O) and behavioral engagement intention towards smart tourism technologies (R) in order to explore tourists' engagement phenomenon in more detail.

## Theoretical background and hypotheses development

### Stimulus-organism-response (s-o-r) framework

This study applied S-O-R model as theoretical bases to examine tourists' continued engagement intention towards smart tourism technologies. S-O-R model was proposed by Mehrabian and Russell (1974), which consists of three elements, which include stimulus (S), organism (O) and response (R). S-O-R framework suggested that various features of environments acts as a stimulus (S) ignite an individual's affective and cognitive internal states, which include experiences, perception and evaluation(O), and eventually impel certain behavioral responses. S-O-R framework has been employed in a number of empirical researches in consumer behavior domain, such as organic food (Lee & Yun, 2015), online shopping behavior (Peng & Kim, 2014), social commerce (Zhang et al., 2014), online brand community (Islam & Rahman, 2017) and mobile travel application (Fang et al., 2017).

### Smart technologies characteristics

S–O–R model stated that stimuli is considered as contextual cues external that trigger and attract individuals' attention (Fang et al., 2017). This study considers six smart tourism technologies characteristics as external stimulus. Information quality is defined as an individual's perception regarding how strong and cogent a message's argument (Yoo et al., 2017). An individual perceived a high level of information quality when the message is convincing and rational. According to Petter et al. (2013), information quality consists of preferable characteristics of timeline, accuracy, relevance and completeness. Accurate, relevant and up-to-date tourism information offers users with great and please experience by addressing their needs for trip planning and problem solving. It reduces their cognitive effort for trip decision-making because they do not need to search other sources (Yoo et al., 2017). It also enhances tourists' hedonic value perception because they perceive high information quality could reduce their effort and time for trip planning and solve their problem promptly. This seamless experience inferred the attainment of utilization and hedonic goal. Hence, we hypothesize:

H1: Information quality of smart tourism technologies is positively related with perceived utilitarian benefit

H2: Information quality of smart tourism technologies is positively related with perceived hedonic benefit

Accessibility refers to the extent to which tourists can easily access and search useful online tourism content with minimum difficulty (Huang et al., 2017). Accessibility is one of the factors driving the usability of smart tourism technology, which allows tourists to complete the tasks of information searching, trip planning and travel-related product transaction easily (Muhtaseb et al., 2012). High level of accessibility of smart tourism technologies satisfy tourists' utilitarian and hedonic needs. Van Noort, Voorveld and van Reijmersdal (2012) revealed that tourists prefer interactive and accessible site because it generates cognitive and affective experience to tourists. Mobile hotel booking users able reach their booking and utilitarian goals when they are offered

with high accessibility of mobile hotel booking service (Ozturk et al., 2016). Based on discussion, we hypothesize:

H3: Accessibility of smart tourism technologies is positively related with perceived utilitarian benefit

H4: Accessibility of smart tourism technologies is positively related with perceived hedonic benefit

Compatibility is defined as the degree to which an information system is perceived to be fitted with users' needs, existing value and previous experience (Chen, Gillenson, & Sherrell, 2002). In smart tourism technology, compatibility refers to the degree of smart tourism technology to be compatible with tourists' preferences and needs for their travel planning and decision (Kang et al., 2015). Compatibility of smart technology is associated with tourists' perceived utilitarian benefits. Ewe et al. (2015) emphasized that information system should create an impression among users regarding high level of compatibility of the system with their lifestyles and needs in order to enhance user's perception toward mobile banking. Based on discussion, it is expected that if the compatibility of smart tourism technology is high, tourists will perceive higher perception toward hedonic and utilitarian benefits of these technologies. Hence, we hypothesize:

H5: Compatibility of smart tourism technologies is positively related with perceived utilitarian benefit

H6: Compatibility of smart tourism technologies is positively related with perceived hedonic benefit

In smart tourism technology, source credibility refers to the extent it is perceived as credible, trustworthy, expert and experience sources by tourists. Tourists always pursue trustworthy content, such as peers' proficiency, tourists' review, and shared resources, when searching information via smart tourism technology. This assists them to make useful travel decision and enhance their pleasure travel experience. Litvin et al., 2008 revealed that a tourism website which possess excellent word-of-mouth image and reputation can induce tourist's positive expectation that they able to make excellent travel decision with minimum risk. By engaging smart tourism technologies, tourists not only obtain useful information but also induce their hedonic enjoyment. Hence, we hypothesize:

H7: Source credibility of smart tourism technologies is positively related with perceived utilitarian benefit

H8: Source credibility of smart tourism technologies is positively related with perceived hedonic benefit

Interactivity is theorized as one of the online tourism information sources attributes (No & Kim, 2015). An information system is perceived interactive when it offers prompt, responsive, and reciprocal responses (Johnson et al., 2006). Since interactivity of smart tourism technologies provide active conversation due to active participation of tourists, it promotes travel-related

product purchase among travelers, efficient tourism information searching and assist tourists' travel decision making (Yoo et al., 2015). Tourists interact with smart tourism technology environment via the information creation, searching and sharing, such as evaluating a destination or travel-related product and sharing their travel experience. Tourists will gain emotional and informational value from interaction in smart tourism technology and feel obligated to reciprocate with peers by providing valuable information (Zhang et al., 2014). Smart tourism technology with high interactivity offers a convenient medium for content contribution, self-presentation and exchange supports among peers, thus achieving their utilitarian, hedonic and social goals. Hence, we hypothesize:

H9: Interactivity of smart tourism technologies is positively related with perceived utilitarian benefit

H10: Interactivity of smart tourism technologies is positively related with perceived hedonic benefit

H11: Interactivity of smart tourism technologies is positively related with perceived social benefit

In smart tourism technologies, personalization refers to the extent of which tourists able to obtain specific information and tailored services in order to address their personal needs and fit their preference for trip planning (Huang et al., 2017). Smart tourism technologies provide customized services and personalized search, allows tourists to make more personalized travel decision and foster their perceived utilitarian, hedonic and social benefits. Offering personalized service which is foreseen to fulfill customers' specific needs will induce their positive and pleasurable emotions. Tourists will feel that they are cared and valued, which induce close and warm personal connection and generate a sense of social support (Zhang et al., 2014). Kang and Lee (2015) implied that high quality of personalization positively impacts users' affective and cognitive states, which in turn lead to high continuous intentions. According to Kumar and Benbasat (2006), a high level of website personalization lead to high level of perceived usefulness and perceived social presence. Pappas et al. (2014) indicated that personalized service, which fit to customers' individual needs and interests is a vital determinant of developing positive emotions. Based on discussion, we hypothesize:

H12: Personalization of smart tourism technologies is positively related with perceived utilitarian benefit

H13: Personalization of smart tourism technologies is positively related with perceived hedonic benefit

H14: Personalization of smart tourism technologies is positively related with perceived social benefit

Perceived benefits and behavioral engagement intention

In S-O-R model, organism (O) is considered as mediator between stimulus (S) and response (R). underlying the organism reaction, which is regarded as the internal affective and cognitive process of organism. In this study, organism is perceived benefit, which is defined as actual perception and assessment of positive outcomes derived from the adoption of smart tourism technology (Fang et al., 2017). Drawing on Verhagen et al. (2015), three types of perceived benefits (utilitarian benefit, hedonic benefit and social benefit), which are known as fundamental behavioral beliefs and needs underlying users' adoption of information system and online technology, were examined in this study. Utilitarian benefit is defined as individual's appraisal of smart tourism technology functionality in term of its ability to solve problem and attain utilitarian goal. Hedonic benefit refers to individual's positive feelings, such as pleasure and enjoyment arisen from their experience. Social benefit is defined as individual's assessment of values resulted from achieving communicative and social interactive purpose (Zhou et al., 2014). Behavioral engagement, which acts as response (R) in this study, is regarded as individual' willingness to continued interact with smart tourism technology. This engaged involvement create tourists' value and satisfaction and subsequently drives their engaged involvement and loyalty. The relationship between perceived benefits and behavioral engagement intention is justified by Uses and Gratifications Theory (UGT) (Katz, Blumler, & Gurevitch, 1973).

Uses and Gratifications Theory (UGT) assumed that one's continuance engagement is determined by perceived benefits. Useful, credible and relevant tourism information provided by smart tourism technologies fulfil tourists' utilitarian goals and this encourage tourists to engage in continued involvement with smart tourism technology in future. Previous studies revealed that utilitarian motivation (e.g. perceived usefulness) significantly drives satisfaction and mobile engagement intention (Kim et al. (2013), Functionality and utilitarian is inherently part of smart tourism technologies' capacity, which motivate tourists' continued engagement. Furthermore, smart tourism technology that offers enjoyment, pleasure and sensory stimulation fulfil tourists' hedonic goal and lead to high perceived hedonic benefit. It motivated to engaged involve and interact with these technologies in order to seek and encounter these hedonic enjoyments again. Sun et al. (2014) and Verhagen et al. (2015) revealed that when users experience positive feeling and emotions from online communities, this will motivate them to continued utilize these communities. In addition, smart tourism technology fulfils social benefits by satisfying tourists' needs of socializing and communicating. It probably creates value for tourists who invest more time and effort to engage these technologies in order to sustain their connection and assemble bonding social capital with peers (Verhagen et al., 2015). Based on discussion, the following hypotheses were proposed:

H15: Perceived utilitarian benefit is positively related with behavioral engagement intention

H16: Perceived hedonic benefit is positively related with behavioral engagement intention

H17: Perceived social benefit is positively related with behavioral engagement intention

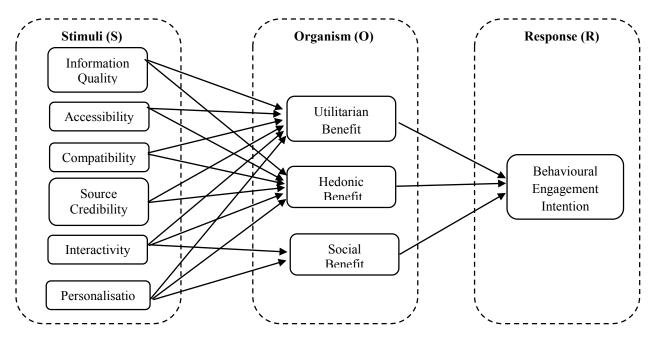


Figure 1 Research model

#### Methodology

The data were collected by distributing a self-administered questionnaire to tourists who was visiting Georgetown from September 2017 to December 2018. A total of 475 respondents were collected. After initial data screening and cleaning, 11 questionnaires were eliminated due to disqualified respondents and invariance in answering all measurement items in the questionnaire, resulting in the final dataset of 441 respondents. Obtaining sampling frame was infeasible, so purposive sampling technique was employed, whereby only tourists who was visiting Georgetown from September 2017 to December 2018 and used smart tourism technologies during their travel planning were chosen. 29 measurement items of ten constructs were used in this study. A pretest was conducted to test the validity of measurement items used by inviting three respondents to participate in a cognitive interview. In light of their feedback, ambiguous wordings were modified for clarity and comprehensibility. To assess the research model in current study, partial least squares (PLS) analysis was conducted by Smart PLS 3.0 software.

#### Measurement model assessment

Table 1 presents result of measurement model assessment. The loadings of indicators on its latent construct are recommended to be higher than 0.708. The result validated that all items loadings were higher than 0.708, confirming the indicator reliability. The CR of all items was higher than 0.7, providing supportive evidence for internal consistency reliability of the measurement model. For convergent validity, AVEs were greater than 0.5, showing a satisfactory convergent validity. Discriminant validity was assessed by Heterotrait–Monotrait (HTMT) ratio of correlation through criterion and statistical test. For criterion method, HTMT value should be smaller than HTMT.85 to confirm the discriminant validity. All values are below the threshold level of HTMT.85., asserting the discriminant validity.

# Table 1 Result of Measurement Model

	Measurement Items	Loadings	CR	AVE
	mation Quality (adapted from journal 1)			
(1 = st)	trongly disagree to $5 =$ strongly agree)			
IQ1	The tourism website and app provides accurate information of the destination and the trip.	0.855	0.876	0.703
IQ2	The tourism website and app enable me to complete my travel with detailed information provided.	0.800		
IQ3	The tourism website and app provide up-to-date information of the destination and the trip.	0.858		
Acces	sibility (Adapted from Huang et al., 2016)			
	trongly disagree to $5 =$ strongly agree)			
A1	Tourism website and app are accessible anytime and anywhere.	0.797	0.851	0.656
A2	I find tourism website and app easy to use.	0.790		
A3	Tourism website and app can be easily accessed.	0.843		
	<b>Datibility</b> (Adapted from Fang et al., 2017). trongly disagree to 5 = strongly agree)			
C1	Tourism website and app are compatible with my travel preferences.	0.804	0.885	0.719
C2	Tourism website and app suit and fit my travel needs.	0.877		
C3	Tourism website and app fit well with my travel needs.	0.861		
Source	e Credibility (Adapted from Huang et al., 2016)			
$(1 = s_1)$	trongly disagree to $5 =$ strongly agree)			
SC1	The tourism website and app providing the travel planning information and services is trustworthy.	0.794	0.841	0.638
SC2	The tourism website and app providing the travel planning information and services is reliable	0.808		
SC3	The tourism website and app providing the travel planning information and services appears to be professional.	0.794		
Intera	activity (Adapted from Huang et al., 2016)			
	trongly disagree to 5 = strongly agree)			
I1	A lot of other users' questions and answers can be found on tourism website and app.	0.800	0.846	0.648
I2	The tourism website and app that I use are highly responsive to users.	0.798		
13	It is easy to share content (e.g. tourism information) on tourism website and app.	0.816		
Perso	nalization (Adapted from Huang et al., 2016)			
	trongly disagree to $5 =$ strongly agree)			
P1	Tourism websites and apps allow me to receive tailored information.	0.824	0.843	0.642
P2	I can interact with tourism websites and apps to get personalized information.	0.812		
Р3	The personalized information provided by tourism websites and apps meets my needs.	0.766		
Utilita	arian Benefit (Adapted from Fang et al., 2017)			
(1 = st)	trongly disagree to $5 =$ strongly agree)			
UB1	Tourism websites and apps make it more efficient to arrange tours.	0.803	0.854	0.661
UB2	Tourism websites and apps make it easier to make travel arrangements.	0.827		
UB3	Tourism websites and apps solve my problems by making it easier to make travel decisions.	0.808		
	nic Benefit (Adapted from Fang et al., 2017)			
	trongly disagree to $5 =$ strongly agree)			
HB1	Using tourism websites and apps is enjoyable.	0.795	0.856	0.665

HB2	Using tourism websites and apps is pleasurable.	0.828							
HB3	Using tourism websites and apps is interesting to me	0.823							
Social	Social Benefit								
SB1	This tourism websites and apps makes me able to connect with other travelers.	0.850	0.852	0.657					
SB2	This tourism websites and apps helps me to become familiar with other travelers.	0.791							
SB3	This tourism websites and apps helps me to perform social activities.	0.789							
Behavioral Engagement Intention (Adapted from Kim et al., 2013)									
(1 - 1)	(1 — Very Unlikely/5 — Very likely)								
BEI1	How likely are you going to engage in tourism websites and apps?	0.879	0.884	0.791					
BEI2	How likely are you going to recommend your engagement in tourism websites and apps to someone?	0.900							

#### Structural model assessment

Structural model was assessed to test the proposed hypotheses by running a bootstrapping process with 5000 resamples. As presented in Table 2, information quality ( $\beta$ =0.141, p<0.01), accessibility  $(\beta=0.204, p<0.01)$ , compatibility (0.218, p<0.01) and source credibility ( $\beta=0.151, p<0.01$ ) had positive effect on utilitarian benefits. Thus, H1, H3, H5 and H7 were supported. However, there is no positive effect of interactivity ( $\beta$ =0.086, p<0.05) and personalization ( $\beta$ =0.088, p<0.05) on utilitarian benefit due to low effect size ( $f^2 < 0.02$ ). According to Chin (2010),  $R^2$  values for endogenous latent variables of 0.67, 0.33 and 0.19 represented substantial, moderate and weak model respectively.  $R^2$  value of 47.7% for behavioral engagement intention was explained by information quality, accessibility, compatibility and source credibility. For the predictors of hedonic benefits, due to the low effect size, interactivity ( $\beta$ =0.086, p<0.05) and personalization  $(\beta=0.088, p<0.05)$  insignificantly affect hedonic benefits. Information quality ( $\beta=0.140, p<0.01$ ) accessibility ( $\beta$ =0.141, p<0.01), compatibility (0.205, p<0.01) and source credibility ( $\beta$ =0.230, p < 0.01) positively affect hedonic benefits, with R<sup>2</sup> value of 49.9%, which denoted a moderate model. H2, H4, H6 and H8 were supported. For the antecedents to social benefits, interactivity  $(\beta=0.168, p<0.01)$  and personalization  $(\beta=0.383, p<0.01)$  had positive effect on social benefits, with R<sup>2</sup> value of 23.6%, showing a weak model. H11 and H14 were supported. Lastly, utilitarian benefits ( $\beta$ =0.310, p<0.05), hedonic benefit ( $\beta$ =0.191, p<0.01) and social benefit ( $\beta$ =0.175, p < 0.01) were predictors of behavioral engagement intention. The R<sup>2</sup> value of 30.9% indicated a moderate model.

Table 2 Measurement model of formative second order construct

	Relationship	Coefficient	SE	t value	f <sup>2</sup>	Decision	R <sup>2</sup>
H1	Information Quality -> Utilitarian Benefit	0.141	0.141	3.217**	0.028	Supported	0.478
H2	Information Quality -> Hedonic Benefit	0.140	0.140	3.112**	0.028	Supported	0.499
H3	Accessibility -> Utilitarian Benefit	0.204	0.204	3.762**	0.042	Supported	
H4	Accessibility -> Hedonic Benefit	0.141	0.141	2.512**	0.021	Supported	
H5	Compatibility -> Utilitarian Benefit	0.218	0.217	3.868**	0.039	Supported	
H6	Compatibility -> Hedonic Benefit	0.205	0.206	3.970**	0.036	Supported	

H7	Source Credibility -> Utilitarian Benefit	0.151	0.152	3.095**	0.023	Supported	
H8	Source Credibility -> Hedonic Benefit	0.230	0.229	4.951**	0.056	Supported	
H9	Interactivity -> Utilitarian Benefit	0.086	0.086	1.716*	0.008	Not Supported	
H10	Interactivity -> Hedonic Benefit	0.108	0.108	2.383**	0.013	Not Supported	
H11	Interactivity -> Social Benefit	0.168	0.169	3.695**	0.029	Supported	0.236
H12	Personalization -> Utilitarian Benefit	0.088	0.090	1.877*	0.009	Not Supported	
H13	Personalization -> Hedonic Benefit	0.084	0.084	1.672*	0.008	Not Supported	
H14	Personalization -> Social Benefit	0.383	0.385	8.735**	0.148	Supported	
H15	Utilitarian Benefit -> Behavioral Engagement Intention	0.310	0.310	6.306**	0.086	Supported	0.309
H16	Hedonic Benefit -> Behavioral Engagement Intention	0.191	0.192	3.728**	0.032	Supported	
H17	Social Benefit -> Behavioral Engagement Intention	0.175	0.176	3.667**	0.034	Supported	

\* p < 0.05, \*\* p < 0.01

#### **Discussion and conclusion**

Nowadays tourists are broadly informed by smart tourism technologies, which allow tourists actively participate online travel information search and tourism product and service purchase. Smart tourism technology is merged as a popular channel used by travel-related business operator to build up and sustain their network with tourists before, during and after their trip. The S-O-R model was applied to provide a solid theoretical foundation for the proposed study. Based on the S-O-R model, the study examined how tourists perceived the smart tourism technology characteristics (S) that lead to tourists' attributes (O) and behavioral engagement intention towards smart tourism technologies (R). The empirical investigation in this study lead to some important findings. First, this study identified the drives of tourists' engagement from the aspect of smart tourism technology characteristics. The results confirmed that smart tourism technology characteristics, which including information guality, accessibility, compatibility and source credibility are utilitarian-related stimuli and hedonic-related stimulus cues driving smart tourism technology engagement. Among them, information quality and compatibility exerted the strongest impact. The results implied that when the information provided by smart tourism technologies are accurate, detailed, up-to-date and compatible with tourists' need and preference, they are more likely to achieve their utilitarian and hedonic goals. Furthermore, smart tourism technology, which permit tourists to effortless and easily access useful and credible online tourism sources could increase tourists perceived hedonic and utilitarian benefits, and subsequently lead to higher continuous intention to engage smart tourism technologies.

Second, contrary to proposed hypotheses, interactivity and personalization do not foster utilitarian and hedonic benefits due to low effect size. This suggested that high personalization and interactivity of smart tourism technologies do not fulfil tourists' utilitarian goal and seldom generate pleasure and enjoyment emotion to them. Instead, interactive and personalized tourism information provided by smart tourism technologies could build up a supportive environment for information sharing and social network. Smart tourism technology is served as a flexible and convenience channel for self-presentation, content creation and support exchange among tourists. High interactivity of the technologies facilitate travelers to disseminate tourism information among social network and obtain social support. This make them perceive that they are assisted, concerned and valued by other users and involve them in caring and empathy environment. Personalization permits smart tourism technology offers tailored content and unique interaction to tourists based on their preference, needs, previous interaction and social connections. Some smart tourism technologies offer customized functions in which tourists can adjust their interface and interaction based on their needs and preference. Personalization also covers the practice of giving social recommendations to peers and this induce intimacy and rapport among peers and generate a sense of social cohesiveness, thus fulfilling social benefits.

Third, the findings showed a significant influence of utilitarian benefit, hedonic benefits and social benefits on tourists' intention to engage smart tourism technology, which was in line with Fang et al. (2017) and Kim et al. (2013). These results confirmed that tourist intents to engage smart tourism technology when they perceive high level of social, hedonic and utilitarian benefits from smart tourism technology. It suggested that smart tourism technology serves as a convergent medium, which appeals to travelers' social-oriented, enjoyment oriented and task-oriented inducement. Furthermore, it was found that the impact of utilitarian benefits on tourists' continued engagement intention is stronger than hedonic and social benefit, indicating that utilitarian benefit is more critical driver rather than hedonic and social benefit in affecting tourists' intention to engage smart tourism technology. It implied that utilitarian benefit of smart tourism technology is key driver of tourists' behavioral engagement intention, while hedonic and social benefits are complementary components. The result was consistent with Bernardo et al. (2012) and Ahn and Seo (2018).

## Theoretical contributions and practical implications

This study extends the behavioral engagement literature by exploring its key determinants of tourist's in the smart tourism technologies context environment. In adapting the S-O-R framework to the smart tourism technologies context, we revealed theoretically the relationships among smart tourism technologies characteristics, perceived benefit, and behavioral engagement intention. This study empirically examined six smart tourism technologies characteristics (information quality, accessibility, compatibility, source credibility, interactivity and personalization) as antecedents driving smart tourism technology engagement. The findings implied that utilitarian, social and hedonic benefit are not equally stimulated by smart tourism technology characteristics. Interactivity and personalization explained a variation of 23.6% in social benefits. Information quality, accessibility, compatibility and source credibility together explained a significant variation (over 47%) in utilization and hedonic benefits, suggesting the importance of these attributes on stimulating the smart tourism technology engagement. This study provided new theoretical perspectives, which extend current literature on understanding the effectiveness of smart tourism technology characteristics in affecting tourist perceived utilitarian, social and hedonic benefits, which in turn lead to tourists' behavioral engagement intention towards smart tourism technologies.

The findings provide several practical implications. First, smart tourism technologies developers and service providers could focus on information quality, accessibility, compatibility and source

credibility of smart tourism technology in order to improve users' perceived utilitarian and hedonic benefits. For example, they could allocate significant resources to develop and update these technologies in order to ensure the latest, accurate and relevant information and reachable and searchable smart tourism technologies are always provided and sustain a high level of credibility. In addition, they could initiate some marketing campaigns to promote information quality, accessibility, compatibility and source credibility of smart tourism technologies. Consequently, it will build up a favorable impression and address hedonic and utilitarian benefits of smart tourism technologies to the tourists and thus attract more tourists to engage these technologies in long run. Furthermore, smart tourism technologies developers and service providers should ensure service offered is compatible with tourist' preference and need. They could integrate functions of these technologies in every tourists' travelling activity. Smart tourism technology could be advertised as a necessary online platform that fits their travelling behavior and pattern. Second, smart tourism technologies developers and service providers could employ user profiling techniques, such as behavior data mining to segment their users' profile. As such, tailored tourism services and recommendations could be provided in order to group those with similar interest, foster their social bond and thus increase their perceived social benefits. Besides that, smart tourism technologies developers and service providers could implement interactive interface and communication channel, such as channels for user generated contents, active traveler review and timelines of feedback in order to enhance interactivity. They could also launch offline and online events to facilitates tourists' active interaction with peers via smart tourism technology, which increase probability of building up strong emotion and social relationship. Third, the results showed that utilitarian benefit exert a relatively stronger impact on behavioral engagement intention compared with social and hedonic benefit. Hence, utilitarian functions of smart tourism technology should be served as basic because travelers perceived that they are inherent in task-oriented functions of smart tourism technology. As such, the functionality of smart tourism technology should be designed in a way that a line with tourists' requirement.

### Limitation and further research

There are several limitations in current study. Firstly, the study limited the sampling frame to tourists who was visiting Georgetown and used smart tourism technologies during their travel planning. The findings may not be generalized to all tourists who used smart tourism technology. Thus, future research may choose samples from other countries. Second, current study studied tourists' behavioral engagement intention, instead of actual engagement behavior. Cheung et al. (2015) revealed that behavioral engagement intention is accepted as surrogated for actual engagement behavior. Thus, tourists' actual engagement behavior may be investigated in future research. Third, six characteristics of smart tourism technology examined in this study may not reflect the entire smart tourism technology characteristics, more drivers of tourists' engagement in smart tourism technology need to be explored in future study.

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# PERFORMANCE ANALYSIS OF ASSET-LIGHT STRATEGIES ACROSS MARKET SEGMENTS AND ECONOMIC CYCLES IN THE LODGING INDUSTRY

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### Abstract

Recently, many lodging firms have shifted to asset-light approach from a traditional brick and mortar business model. An asset-light strategy focuses primarily on managing and franchising hotels rather than owning and controlling the real estate, enabling lodging firms to develop and operate hotels with little or no capital investment. Lodging firms that embraced the asset-light strategy claim that it allows them to generate greater returns for owners and investors because minimizing the commitment to fixed assets can lead to significant cost savings from reductions in the cost of expensive initial investments. Furthermore, reducing the level of fixed asset investment helps firms accumulate capital for advantageous allocation to the development of core competencies that create superior value to their customers. Several hospitality studies found evidence that an asset-light and fee-oriented strategy positively influences operating profitability and a firm's value while earnings tend to be less volatile during periods of contracting markets in the U.S. hotel industry. These findings suggest that lodging firms can achieve superior earnings by effectively utilizing the asset-light strategy. Therefore, this study aims to analyze the performance of lodging firms that commit to the asset-light strategy. In particular, the current study examines whether or not asset-light lodging firms produce positive performance across different market segments (i.e., full- and limited-service segment) and economic cycles (i.e., recession and expansion). To the best of our knowledge, there is no research addressing the question of how corporate strategic decisions related to asset structure influence firms performance and growth across market and economic cycles. The findings of this study will provide lodging management and investors with a more comprehensive understanding of the effectiveness of the asset-light strategy.

Key Words: performance analysis; lodging; asset-light; segments; economic cycles

# SEGMENTING MEDITATION TOURISTS BY LIFESTYLE CONGRUENCE, PERSONALITY TRAITS AND WELLNESS RELATED SELF-IMAGE

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In recent years, meditation has emerged as an expanding niche form of wellness tourism . Meditation is self-regulation approaches that focus on practicing attention and awareness, which can bring mental wellbeing and develop concentration, relaxation and calmness) Mars & Abbey, 2010 .(Contemporary literature suggests that meditation has an effect on a person's mind and body )e.g., Hofmann, Grossman & Hinton, 2011; Kim, Park & Kim, 2008; Krygier et al., 2013; Mars & Abbey, 2010.( The growing interest in meditation practices has manifested into a desire to travel to destinations offering meditation retreats .Thailand, as a destination, has attracted international tourists keen to discover and experience the secrets of peaceful and meditative lifestyle. Meditation retreats feature prominently in the Tourism Authority Thailand )TAT (new marketing campaign "Authentic Local Experience." Meditation is offered as day classes at many centres and temples in Bangkok )e.g., Wat Mahadhatu (and outside of Bangkok )e.g., Wat Suan Mokkh International Dharma Hermitage, Chiya; Dipabhāvan Meditation Centre, Koh Samui (and month-long courses at tranquil forest retreats in rural provinces )e.g., Wat Nong Pah Pong, Ubon Ratchathani .( However, despite the growth of this niche segment, academic research on meditation tourists remains limited .The purpose of this study is to advance our understanding of meditation tourists by developing a profile using psychographic variables :lifestyle congruence, personality traits, and wellness related self-image .Data were collected from 385 international tourists engaging in meditation retreats at two popular meditation retreats in Thailand :International Dharma Hermitage of Wat Suan Mokkh, Chiya and Dipabhavan Meditation Centre, Samui Island .The criteria sampling method was applied to recruit international tourists who have experienced meditation retreat's activities for at least three days during their visit .Research assistants approached tourists to participate in the study on the last day of the meditation program .Data were analyzed in three stages. First, the original raw scores for lifestyle congruence, personality traits and wellness related self-image were used to cluster respondents .Similar to previous studies )e.g. Hosany and Prayag, 2013(, discriminant analysis was undertaken to confirm the validity of the cluster solution. Finally, the segments were profiled using post-experience variables )quality of life perceptions, satisfaction and behavioural intention .(Findings suggest that meditation tourists can be divided into two segments - wellness achievers and wellness strivers -based on lifestyle congruence, personality traits and wellness related self-image .Wellness achievers display higher levels of quality of life perceptions, satisfaction and behavioural intention .Results offer important implications for wellness tourism providers .Promoting meditation tourism activities that are congruent with tourists' lifestyle, personality traits and wellness related self-image would increase the perceived attractiveness of the destination.

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# CONCEPTUALIZING PERCEIVED FOOD SOUVENIR QUALITY: A FORMATIVE APPROACH

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### Abstract

Tourists exhibit an increasing interest in locally produced food items and bring them home as souvenirs. Studies have discussed food as a souvenir, but no research has addressed how to evaluate product quality from a consumer-based perceptual or evaluative perspective. This paper presents a process for conceptualizing food souvenir quality as a second-order construct, comprising nine dimensions: production specification, sensual appeal, packaging, word-of-mouth, price, brand, history and tradition, food safety and health, and award or certification. The research findings provide a basis for identifying the indicators capturing distinct dimensions of the construct. We will test and cross-validate a formative measure subsequently.

Keywords: Perceived food quality, perceived food souvenir quality, formative indicators, secondorder construct, bakery souvenirs.

#### Introduction

Tourists exhibit an increasing interest in locally grown or locally produced food items (Pestek & Nikolic, 2011). Local food products, which demonstrate authenticity and tradition (Kauppinen-Räisänen *et al.*, 2013; Sims, 2009), are taken home as souvenirs from local retail stores. Although a food souvenir may be classified as a local product (Gordon, 1986), the development of local foods as souvenir products is viewed as an effective cultural emissary to reflect unique local

cultures (Rolle & Enriquez, 2017). Taking food home from a trip can extend and enhance the tourism experience (Altintzoglou, Heide, & Borch, 2016); a specialty product is a means of reliving a visitor experience because food souvenirs are a tangible symbol and reminder of travel. A food souvenir carries meanings related to the destination visited.

How to choose and purchase food souvenirs is noteworthy. Some researchers have explored tourists' related behaviors and have found that the high quality of food souvenirs plays an crucial role in such purchasing behaviors (Altintzoglou, Heide, & Borch, 2016; Rolle & Enriquez, 2017). However, how tourists (consumers) evaluate the quality of food souvenirs has yet to be discussed. Perceived quality has received much attention in research on the behavior of food consumers. Cardello (1995) advocated that food quality should be judged by consumers of the product in question; this idea has been referred to as reasoned acceptance rather than coming from a purely sensory-based affective response. Perceived quality refers to consumer judgment of the overall superiority or excellence of a product (Zeithaml, 1988). Thus, perceived food souvenir quality (PFSQ) is defined as a customer assessment of the guarantee or superiority of the food souvenir product under consideration.

Relatively few studies that have addressed food souvenirs (Altintzoglou et al., 2016) and no research has been conducted to analyze the perceived quality of food souvenirs for specifically explaining how consumers make subjective judgments about food quality and on what indicators they base these judgments. An understanding of consumer attitudes and perceptions underpinning interest in food souvenirs is essential to guide strategy and policy decisions in marketing such products. For this reason, a scale applicable to food souvenirs is required to provide baseline information on consumer perceptions and address the potential implications for the marketing of such products. Researchers have conceptualized the construct of perceived food quality (PFQ). Their conceptualization strategies treat PFQ as unidimensional and measures overall consumer quality perceptions (e.g., Poulsen et al., 1996; Wang, 2013) or a second-order reflective form (Martínez-Carrasco et al., 2012). However, a closer look at the two model specification reveals that both may be inadequate in certain respects.

In response to the limitations of existing research, this paper proposes a formative model for PFSQ that conforms to the theoretical definition of this construct. The formative construct includes measures that influence the underlying latent construct rather than being influenced by it (Jarvis et al., 2003). Therefore, the measurement of PFSQ contains formative dimensions that can cause changes in the latent construct and capture its multidimensional conceptualization. This paper presents the preliminary research results of the factor structure of PFSQ. The research findings provide a basis for identifying the indicators capturing distinct dimensions of the construct. We will test and cross-validate a formative measure for PFSQ subsequently.

# Literature review

PFQ

Food quality has been debated from various perspectives (Grunert, 1995) and can be categorized into objective and a subjective quality. Objective quality refers to the physical characteristics designed into products and is typically dealt with by engineers and food technologists. Subjective quality is quality as perceived by consumers. In other words, food quality may be defined as a human perceptual or evaluative construct that is conceptually equivalent to consumer acceptance (Cardello, 1995). Consumer judgments of acceptability have been shown to correlate highly with consumer judgments of food quality. Thus, perceptual quality is the overall concept of consumer perception; it reflects consumers' quality judgments and resembles their attitudes toward their perceptions, needs, and goals. This consumer-based definition of food quality leads to perceived quality as an overall global concept akin to an attitude toward foods (Oude Ophuis & Van Trijp, 1995).

Scholars have engaged in intensive discussions about the perceived quality of foods. Martínez-Carrasco et al. (2012) summarized that four approaches can be differentiated to explain perceived quality within the consumer-based paradigm. The first is the information economy approach, which indicates that the product quality may be characterized by search, experience and credence attributes (Grunert, 1995). The second approach is the multidimensional phenomenon and is based on the dichotomy between intrinsic and extrinsic cues (Zeithaml, 1988). Third the means-ends chain approach arises from a hierarchy that links product attributes to consequences of consumption and consequences of consumption to life values (Grunert, 1995). The final approach is the integrated framework, which represents an attempt to integrate the aforementioned three approaches into a single approach, namely the Total Food Quality Model developed by Grunert et al. (1996). This approach differentiates between pre-purchase and post-purchase components. In light of the indicators addressed, the components that form the perceived quality are almost identical, although researchers may adopt different concepts to classify them. Distinguishing quality indicators from one category to another may be unnecessary; for example, the ingredients and methods of products are no different to their credence quality attributes so long as information about the products is available. Nevertheless, PFQ is regarded as a multifaceted concept comprising several dimensions used by consumers as indirect indicators of quality when making judgments about a product.

### Concept of food souvenirs

Local products such as food and wine are common selections among souvenir products (Gordon, 1986; Turner & Reisinger, 2001). Regarding local food specialties and food prepared from local ingredients, major products may be traditional snacks such as rice cakes and vegetable pies (Björk & Kauppinen-Räisänen, 2016). Taking such food items home from a trip may extend and enhance tourism experience (Swanson & Horridge, 2006; Altintzoglou, Heide & Borch, 2016). The uniqueness of local foods is linked to the landscape and culture of the local area, and further preserves culinary heritage and geographical identity (Björk & Kauppinen-Räisänen, 2016); for food souvenirs, this implies a demand for items that represent the food culture of the destination

(Swanson & Timothy, 2012). The value of a food product comes from a cultural or traditional association with the place where tourists purchase it.

For tourists, souvenirs carry meaning related to the destination visited. Food souvenirs are frequently purchased as gifts (Kim & Littrell, 2001; Wilkins, 2011). According to Hazman-Wong and Sumarjan (2016), food souvenirs may serve as superior gifts to "traditional" souvenirs because they provide tourists the opportunity to share moments and experiences with their families and friends by sharing foods or beverages that evoke specific look, taste, textures, and scents of a destination after they have returned to their place of origin. Specialty foods are popular gift souvenirs among Chinese tourists because food has abundant meaning in Chinese gift-giving culture (Lin, 2017). Food may strengthen the mutual relationship and social bond between gift giver and recipient. Thus, packaging should enhance the keepsake value of a product and the product should clearly be identified with the place of purchase (Rolle & Enriquez, 2017). The function of packaging is not only to wrap and protect products during transport, but also to render the product aesthetically attractive.

# Perceived quality indicators of local foods

Local foods are expected to accord with common shopping habits (Weatherell, Tregear, & Allinson, 2003). In general, food and drink items are considered low-involvement products; that is, they were purchased routinely and without considerable thought, searching, or purchase time (Sehrawet & Kundu, 2007). Scholars have intensively investigated quality indicators for local foods and products. Table 1 summarizes the quality indicators collected from studies. The components forming perceived quality are almost identical to those of generic foods. The major discrepancy may be that tourists expect a product to be linked to an area or locality, or to demonstrate history, tradition, or culture. For example, Kuznesof, Tregear and Moxey (1997) argued that perceived authenticity is a major factor in consumer perceptions of whether a food is truly regional. One study emphasized association with heritage as a critical quality factor (Ilbery & Kneafsey, 2000).

# Souvenir purchase and tourists' decision-making

Food quality is imperative to tourists when choosing and purchasing food souvenirs (Altintzoglou, Heide & Borch, 2016), and this includes functional qualities (Rolle & Enriquez, 2017). Other main factors are taste, local origin and the perceived authenticity of the food in question (Altintzoglou, Heide & Borch, 2016). For example, using price as an indicator of the perceived quality of a tomato, research results suggested eliminating this variable from the model for perceived quality (Martínez-Carrasco et al, 2012). The authors claimed that price is an influential attribute in a consumer's decision to purchase the tomato but not an indicator of perceived quality. This can be explained because a tomato is a product of considerable price variability as well as consumer familiarity. However, tourists may not be sufficiently familiar with a certain food souvenir even though types of the products in question have a wide price range.

The importance of packaging design in food marketing has been emphasized. Studies have suggested that visual packaging elements play a major role in affecting consumer product evaluations; statistical results indicated the significant effects of visual packaging design on perceived product quality (Wang, 2013). From the perspective of food manufacturers, the strength of these effects strongly depends on visual communication in the packaging conveying marketing information to influence consumers at the point of purchase.

Finally, many researchers have advocated the critical role of food safety and hygiene (e.g., Morris & Young, 2000; Grunert, 2005; Sabbe, Verbeke, & Van Damme, 2008), the importance of which goes beyond food (generic or local). Food safety and hygiene has increasingly attracted the attentions of consumers. Building and retaining tourist confidence within a food context is essential (Henderson, 2009). Therefore, a food product's safety should come with assurances regarding safety (Rolle & Enriquez, 2017).

# Summary

Based on the aforementioned literature review, this study investigated perceived quality; that is, tourists' consumers' perceptions of the evaluations that they make in the context of food souvenirs. The preferences and considerations underpinning tourist product purchases are varied. The concerns are related to the same choices regarding generic foods but also encompass some of the quality indicators regarding local foods. The factors are sensual attributes (flavor, taste, freshness, appearance, texture, and smell), brand, local production, history (tradition and culture), raw materials, packaging, particular designs, healthfulness, safety, price, production methods, and certification or quality assurance label. Nutritional characteristics may not be a critical attribute.

# Pfsq as a multidimensional second-order formative construct

PFQ measures overall appeal from a consumer's point of view. Some studies have conceptualized PFQ in a reflective model (e.g., Poulsen et al., 1996; Alonso, Gallego & Mangin, 2005; Martínez-Carrasco et al., 2012). However, the literature implies that indicators cause perceived quality. PFSQ may be better represented formative rather than by reflective indicators. Jarvis et al. (2003) recommended the following four decision rules to identify a construct as either formative or reflective: (1) direction of causality from construct to measure; (2) interchangeability of indicators; (3) covariance among indicators; and (4) nomological network of construct indicators. Based on these criteria, some shortcomings in the reflective model can be overcome by the formative model.

First, in the reflective model, the causality direction is from construct to items; this contradicts the system of trade-offs between factors of importance and food choice (Grunert, 1997). According to the conceptual definition, the causality direction is expected to be from the components to the perceived quality construct. Consumers begin from perceptions caused by quality components and then make mental trade-off calculations before finally arriving at an overall perception. The temporal priority for each construct has been identified (e.g., Poulsen et al., 1996; Alonso, Gallego & Mangin, 2005). Therefore, the perceived quality model should be specified as formative in the

second-order, whereas the components in the first-order are defining characteristics of the perceived quality construct.

Second, a reflective measurement model should contain only items that correlate positively with one another and thus are inter-changeable; the exclusion or inclusion of specific items from the scale has no effect on the meaning of the scale. However, PFSQ is multifaceted, with likely trade-offs between different facets. Trade-offs of this type could denote that some facets of PFSQ may not correlate, or may negatively correlate, with others; for example, sensual attributes and food safety are clearly distinguishable, but not interchangeable because they do not share the same content. Therefore, this approach can not eliminate vital indicators if trade-offs occur.

Third, a reflective model assumes the presence of correlations among indicators. Although components of perceived quality are viewed as interrelated (Ilbery & Kneafsey, 2000), the relationship requires empirical verification. Components may be independent such as taste and price. Even if a correlation is evident, a high correlation among dimensions does not provide justification for defining the constructs as reflective (Law, Wong, & Mobley, 1998).

Finally, a latent variable's formative indicators have their own nomological network but need not have identical antecedents. For food souvenirs, perceived quality is related to the components of traditions and heritage, and price. Perceptions of the price component may result from a reference price, advertised reference price, or advertised selling price (Grewal et al., 1998), whereas those of the tradition and heritage component results from customs and locale (Kuznesof, Tregear, & Moxey, 1997). A formative model enables researchers to explore the antecedents of market orientation in a more systematic fashion.

# Conceptualization of pfsq

In this study, we argued for the necessity of using a higher-order conceptualization of perceived quality. In related studies, PFQ represents the composition of quality indicators such as price, brand and certification that attempt to maximize consumer evaluation, thereby presenting the sum of consumers' evaluations of a food product. However, some components are more akin to dimensions than observed variables; for example, sensual appeal may be conceived as a specific component of flavor, taste, freshness, appearance, texture, and smell; history may be perceived as an element of tradition, heritage, and culture. Therefore, each dimension may indicate a separate construct that consists of several indicators. Based on the arguments of Diamantopoulos et al. (2008) and Jarvis et al. (2003), the dimensions of PFSQ are constructs and conceived as specific components of the second-order construct. In brief, the formative indicators combine first and second-order constructs. The error term of the model exists at the level of individual (first-order) dimensions and at the overall construct level.

The domain of the construct was delineated based on the literature review; therefore, numerous variables could serve as components. To better understand PFSQ and the subsequent measurement development, a qualitative survey was conducted and data were collected through in-depth

interviews. Explorative open-ended interviews collected 30 narratives from consumers. The respondents provided detailed answers and feedback, which provided insights into the dimensions of PFSQ and helped to construct measurement scales of each dimension.

Condensing the interview data and literature review confirmed that consumers and researchers consider PFSQ a multi-dimensional and composite and therefore complex construct. The qualitative interviews helped to validate the dimensions derived from the literature and sought to explore dimensions that the studies had not discussed. This study focused on the dimensions with the strongest theoretical support and that were most generalizable to PFSQ across a variety of food products. The following context refers to the part as first-order dimensions of the second-order PFSQ construct. The construct comprises nine formative first-order dimensions, namely "production specification," "brand", "sensory appeal," "packaging," "food safety and health,", "price," "award or certification," "tradition or history," and "WOM."

The first dimension is production specification. Tourists are interested in products that have a cultural or traditional association with the place where they are purchased. Thus, food souvenirs have been emphasized as homemade or handmade with natural ingredients. Brand is a key component. Consumers often lack expertise in judging food quality and do not spend time assessing the objective quality of food souvenirs. Therefore, brand names can serve as a reliable signal of quality (Oude Ophuis & Van Trijp, 1995; Weatherell, Tregear, & Allinson, 2003; Ness et al., 2010). Qualitative interviews supported sensual attributes. Sensory appeal is a key driver of quality perception for food souvenirs. This dimension deals with organoleptic properties including taste, appearance, flavor, and freshness (Oude Ophuis & Van Trijp, 1995; Ilbery & Kneafsey, 2000; Weatherell, Tregear, & Allinson, 2003; Rolle & Enriquez, 2017). Food souvenirs should appeal to the senses and taste good. Furthermore, appealing packaging may be a noteworthy element of a product. Consumers take aesthetic pleasure in their purchases; when purchasing souvenirs as gifts, many consumers are particularly concerned with beauty (Littrell et al., 1994; Swanson & Horridge, 2006). Some respondents revealed that they kept souvenir packaging as a reminder of their travels.

Generally, consumers like delicious food but also want to be healthy. In particular, tourists who are aware of health and wellness issues demand products that address these concerns (Rolle & Enriquez, 2017). While traveling, consumption of unfamiliar local foods and unsanitary food practices can cause tourists to become ill. Naturally, price was also of importance because it may be the best known indicator of quality (Oude Ophuis & Van Trijp, 1995; Ness et al., 2010). Although consumers may prefer a product with a low price or one on special offer, a high-cost alternative may be expected to be of high quality if no other information is available and the tourist must judge the quality against similar products. Awards or certification issued to a food product indicate that the product has reached specific high standards set by a professional organization or the government. Such information is similar to a logo or product label displayed on packaging (Dimara & Skuras, 2005); interview respondents noted this powerful quality signal and direct aid to consumers in forming their perception. Traditions and history are crucial and not be ignored. Perceived authenticity serves as a major factor in consumers' perceptions of a food as truly

regional (Kuznesof, Tregear, & Moxey, 1997). Food is an efficient means of acquiring cultural capital (Sims, 2009). Tourist experiences such as drinking local wine or eating local food are perceived as authentic cultural encounters. Finally, the interview respondents mentioned word-of-moth (WOM) as a contributing factor in forming their expectation of food souvenirs. Food is valuable in enhancing tourism experiences, and thus can influence WOM promotion (Kim et al., 2011; Pranic et al., 2013). Food souvenirs are on sale online (Huang, Lee & Lee, 2009); prior to consumer making decision regarding restaurant patronization, product information can be acquired because it has been transformed from experience attributes into search attributes from by e-WOMs through social media (Kang & Namkung, 2016). The respondents confirmed the existence of similar views among food souvenir consumers.

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# TRADITIONAL MARKET SERVICE QUALITY: CREATING CUSTOMER SATISFACTION AND LOYALTY

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#### Abstract

The general purpose of this study was to analyse the effects of traditional market service quality on customer satisfaction and loyalty. Although traditional market service quality is an important element for creating satisfaction and loyalty, there are lots of different determinants that create satisfaction and loyalty such as perceived value, service quality, and perceived quality. A study has been conducted on 400 shoppers in 16 traditional markets around West Java, Indonesia. The methodology used consists of two steps. The first step was to check the construct reliabilities for the measures used in the study. The second, structural equation modelling procedure was used to test the proposed research model; Confirmatory factor analysis was firstly used to estimate the model parameters and examine the factor structure of the constructs tested. The results of this research indicate that traditional market service quality positively influences significantly to satisfaction, and it does not significantly effects on loyalty. Furthermore, the satisfaction positively influences loyalty. However, satisfaction mediates the relationship between traditional market service quality and loyalty.

Keywords: Traditional Market, Retail Service Quality, Satisfaction and Loyalty

#### Introduction

Indonesia has many traditional markets and has the potential to be improved to be able to play a double role, not only as a means of buying and selling for lower middle-class society, but also become one of the tourist destination for foreign tourists (AntaraNews.com, 2017). The Minister of Tourism and Creative Industries of Republic of Indonesia, Arif Yahya, confirmed that developing and structuring traditional market can be very strategic for tourism development (Liputan6.com, 2017)

However, the traditional market has been directly affected by thriving supermarket or hypermarket, the same reason as the similar products sold in both places (Najib and Adila, 2017). These findings prove the report of the Global Agriculture Information Network (2013) that shows

the imbalance of the sales value growth between modern markets' (supermarket/hypermarket and minimarket) and the traditional markets'. The report indicates that the share of traditional market sales value has fallen to 67.6% and in 2011 fell to 55.8%.

The traditional markets as part of retail industry must comply with Indonesian national standards set by The National Standardization Agency Number (2015), and thus it is important that these traditional market services must also comply with the Standards. The retail service quality is different with other products/services environments, thus because of its unique retail services, repair and local quality measurement cannot be approached similarly as from a service perspective (Sikdar, Kuma and Makkad, 2014).

The concept of retail service quality has gained a prominent place in the service marketing literature over the last decade. Many entities are operating in the retail industry, so there is intense competition there. Providing high retail service quality is considered a necessary retail strategy to gain competitive advantage (Gopalan and Satpathy, 2013; Bharti, Agrawal, and Sahrma., 2014). Karjaluoto, Jayawardhena,, Pihlström, and Leppäniemi, (2015) suggest that improving the retail service quality will allow retailers to create higher customer value that will make customers more loyal to individual stores or retailers.

In the retail sector, having customers satisfied and loyal are significant for many years. Creating customer satisfaction and loyalty provides a sustainable competitive advantage and differentiation from competitors. Many factors create customer satisfaction and loyalty in the literature, one of these factors is customer service. Over the last two decades, the importance of customer service has been discussed in the marketing literature (Levy and Weitz, 2007; Berman and Evans, 2010). Competitive demands in the retail industry make service quality an essential determinant of customer satisfaction and overall customer loyalty to store performance (Daskalopoulou and Patrou, 2005; Jones and Doucet, 2000).

Some studies have defined service quality as an essential determinant of customer satisfaction which in turn affects customer loyalty (Headley and Miller, 1993; Hossain and Leo, 2009; Ilias and Panagiotis, 2010; Kuo, Chang, Cheng and Lai., 2011). Sivadas and Baker-Prewitt (2000) examine the relationship between service quality, satisfaction, and loyalty in the retail store. They found that service quality affects satisfaction and loyalty influenced by both satisfaction and service quality.

Thus, when a company provides service quality that meets or exceed customer expectations, the likely outcome is customer satisfaction and loyalty. Schiffman, Kanuk, and Hansen (2012) argue that service quality is the determinant of whether the consumer ultimately remains with the company (loyalty) or defects to competitors. The long-term success of a service organization is essentially determined by its ability to expand and maintain a large and loyal to the customer base. However, how the level of customer satisfaction and loyalty that is formed from the service quality in the traditional markets in Indonesia.

This study has both academic and practical interests. This, because the retail service quality is a form that arises from the level of service quality in traditional markets. This study examines the retail service quality in traditional markets as a whole construct and at the level of individual

dimensions. It also demonstrates a comprehensive mechanism to create customer satisfaction and loyalty, and this study will significantly contribute to the literature relating to service quality, customer satisfaction and loyalty with a particular emphasis on the context of traditional markets. The findings of this study will also provide practical implications that are useful for traders and traditional market managers to enhance customer satisfaction and loyalty by increasing the traditional market service quality dimensions.

### Literature review and hypothesis development

In the following paragraphs, we define the constructs used in this study. Furthermore, the hypothesis was developed to determine the research model. First, the concept of traditional market service quality in creating customer satisfaction and loyalty in the context of traditional markets, the quality of traditional market services as the main constructs affecting customer satisfaction and loyalty. The research model used is shown in Figure 1.

## Traditional market service quality

Service quality in the retail business is different from the environment of product/service (Mehta, Alwani and Han, 2000). Due to the unique nature of the retail service, repair and quality measurement in retail cannot be approached in the same manner as in the service perspective. Therefore, Dabholkar Thorpe and Rentz (1996) developed and validated empirically retail service quality scale (Retail Service Quality Scale-RSQS) to capture an important dimension to of retail customers. In retail services, it is necessary to look at the quality of goods and services as well as the perspective of obtaining a set of the items that accurately measure this construct (Mehta et al., 2000). Dabholkar et al., (1996) suggest that the quality of retail service has a hierarchical structure factor consists of five basic dimensions, namely, the physical aspects, reliability, personal interaction, problem-solving, and policy, with three basic dimensions of the first two sub-dimensions of the basic dimensions of physical aspects: is the appearance and convenience; sub-dimensions of the basic dimension of reliability consist of: promise and doing it right; and sub-dimensions of the basic dimensions of personal interaction includes inspiring confidence and courteousness/helpfulness.

However, these measurements are carried out in modern markets such as supermarkets/hypermarkets, Najib and Sosianika (2018) conducted retail service quality testing on traditional market contexts, where the service quality of traditional market consists of four dimensions, namely; physical aspect, personal interaction, promise and problem-solving and four sub-dimensions, namely; appearance, convenience, inspiring confidence and interaction.

### Customer satisfaction

Satisfaction is the feeling of pleasure or disappointment of a person arising from comparing perceived performances to customer expectations. Izogo, and Ogba (2015) state that customers will be satisfied with the services of a firm if they perceive such services as offering high quality. Customer satisfaction is the goal and the means of the marketer. Satisfaction is also a desirable

target for businesses because satisfied customers tend to buy more, go back to the store and spread positive word-of-mouth to other customers (Anderson, Fornell, & Lehmann, 1994). Shpëtim (2012) stated that retail satisfaction can be measured by comparing with other retail, experience during shopping, price, quality, services and products offered. Oliver (1999) defines satisfaction as a customer evaluation of a product or service, which meets needs and expectations. Satisfaction is an indicator where expectations, met or exceeded. Nevertheless, satisfaction will depend on the structure of market competition, the degree of differentiation, customer engagement, and the shopping experience (Anderson et al., 1994, 1997).

### Customer loyalty

Customer loyalty has emerged as the heart of the consumer behaviour literature (Bowen and Chen, 2015; Blut, Beatty, Evanschitzky and Brock., 2014; Kursunluoglu, 2014). Oliver (1999) defines customer loyalty as "a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing the repetitive purchase of same-brand or same brandset, despite situational influences and marketing efforts having the potential to cause switching behaviour". Loyalty is the primary goal of marketing relationships and is sometimes likened to the concept of relationship marketing itself (Sheth & Parvatiyar, 2000). Jacoby & Chestnut (1978) explain that loyalty is not just behaviour, but rather a function of the underlying psychological factors. However, there is no consensus in the marketing literature on how loyalty should be measured (Bennett & Rundle, 2002). Gremler & Brown (1998) state that the dimensions of both attitudes and behaviours need to be incorporated into the loyalty measurement. Oliver (1999) mentions there are four stages of building customer loyalty, they are loyalty based on awareness, loyalty based on commitment, and loyalty in the form of action. For resellers, deliberate loyalty is a highly desirable outcome of the shopping experience (Keiningham, Aksoy, Buoye and Cooil., 2011).

# Traditional market service quality, customer satisfaction and loyalty.

Satisfaction with service is considered to be a necessary, though insufficient, condition for the development of deliberative loyalty. Satisfaction is the result of a positive evaluation of the quality and value of various elements of the service. Competition demands in the retail industry make service quality an important determinant of overall customer satisfaction and loyalty to store performance (Daskalopoulou & Patrou, 2005; Jones & Doucet, 2000). Therefore, in the retail business, having customers satisfied and customer loyal are very important. Kursunluoglu, (2014) creates customer satisfaction, and loyalty gives a sustainable competitive advantage and differentiation for a company compared with competitors. There are many factors that create customer satisfaction and loyalty in the literature, one of these factors is customer satisfaction. Several studies have determined the service quality as an important determinant of customer satisfaction which in turn affects customer loyalty (Hossain and Leo, 2009; Ilias and Panagiotis, 2010; Kuo et al., 2011, Najib and Sosianika, 2018).

Schiffman et al. (2012) argue that service quality is the determinant of whether consumers ultimately stick with the company (loyalty) or switch to competitors. Therefore, in the retail

business, improving the quality of retail services is seen as the best strategy for making customer loyalty (Dabholkar et al., 1995; Wong and Sohal, 2003; Sheikh and Lim, 2015).

Based on the above, the following hypothesis is developed based on the research model as shown in Figure 1.

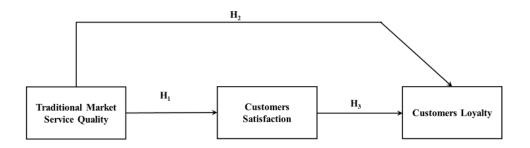


Figure 1 Research Model

Hypothesis<sub>1</sub>: Traditional Market Service Quality has a positive effect on Satisfaction

Hypothesis<sub>2</sub>: Traditional Market Service Quality has a positive effect on Customer Loyalty

Hypothesis<sub>3</sub>: Customer Satisfaction has a positive effect on Loyalty

# Methodology

The general purpose of this study was to analyse the effects of traditional market service quality on customer satisfaction and loyalty. Although traditional market service quality is an important element for creating satisfaction and loyalty, there are lots of different determinants that create satisfaction and loyalty such as perceived value, service quality, and perceived quality. These variables were isolated from this research. In this paper, only traditional market service quality effects were analysed as one of the tools for creating customer satisfaction and loyalty. This paper focused on measuring the importance of traditional market service quality in creating satisfaction and loyalty. The traditional market was chosen as an implementation area for field study.

The sample for this study comprised 400 shoppers from 16 of traditional markets around West Java, Indonesia. The survey was formed by 51 items selected based on the literature, for traditional market service quality scale, customer satisfaction scale, and customer loyalty scale. The traditional market service quality is aligned the level of importance, and then the scale of satisfaction and loyalty is used to measure the effect of traditional market service quality on customer satisfaction and loyalty.

The first scale was developed from the retail service quality study conducted by Dabholkar et al., (1995) and adapted by Najib and Sosianika (2018) for the traditional market service quality. The second scale is the "Customer Satisfaction" was used in many previous studied (Oliver, 1997, Orel

and Kara, 2014). Similarly, for the third scale is the "Customer Loyalty Scale" which has also been used in many previous studies (Oliver, 1997; Sirdeshmukh, Singh and Sabol., 2002; Nijssen, Signh, Sirdeshmukh and HolsmOeller., 2003).

### Result

#### Respondent's profile

Data were collected from 400 shoppers from 16 of traditional markets around West Java, Indonesia. The respondent's profile of this research consists of age, family income and education qualification. Regarding their age, 8% were less than 20 years, 31% were aged between 20 and 30 years, 24% were aged between 30 and 40 years, 23 % were aged between 40 and 50 years, and the rest were above 50 years. Approximately, 55% of the respondents had a monthly income of less than IDR2.500.00, around 36% had an income between IDR2.500.000-IDR5.000.000, around 8% had an income between IDR5.000.000-IDR7.500.000, and the rest had income above IDR7.500.000. Finally, regards to their education qualification, 27% had secondary school or bellow qualification, 48% had high school qualification, 12% had a diploma III qualification, 12% had postgraduate degree or higher.

#### Reliability test

The reliability test set to determine the level of stability, accuracy, consistency, and the degree of homogeneity of the measuring instrument used in this study. A good question indicate that question is clear, easily understood by respondents, detailed, has a high consistency, unambiguous, not causal, and the answers are not apparent. A good questionnaire should, if used repeatedly, will get fixed and consistent answers from the respondents or like. The reliability test is measured by using Cronbach's Alpha coefficients. This instrument has coefficients between 0 and 1. According to (Malhotra, Baalbaki and Bechwati 2003 and Nunally, 1978), the reliability is satisfactory if the Cronbach's Alpha coefficients are more than 0.7. Thus the reliability is said to be very reliable.

Dimensions / Sub-dimensions	Number of items	Reliability Statistics (Cronbach's Alpha)			
Traditional Service Quality	15	0.943			
1. Physical aspects	4	0.863			
2. Personal interaction	4	0.775			
3. Promise	4	0.952			
4. Problem Solving	3	0.914			
Satisfaction	6	0.949			
Loyalty	5	0.968			

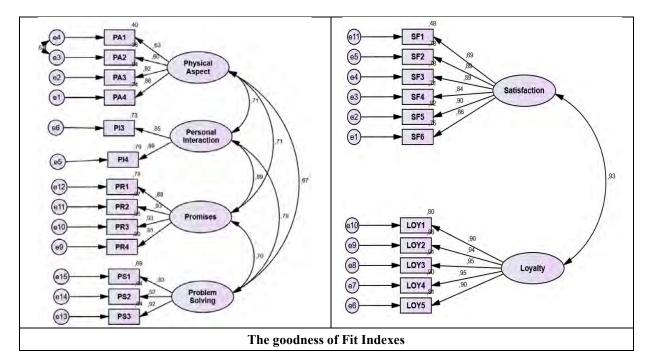
### **Table 1 Reliability Test**

Based on the above results, the overall measurement is reliable (Table 1). Thus the traditional service quality, satisfaction, and loyalty are reliable in measuring a single construct. We should also conduct a confirmatory factor analysis (CFA) of the component structures if we intend to further examine the traditional service quality, satisfaction, and loyalty structures to ensure that the scale can be used for diagnostic purposes especially in the traditional market.

#### Confirmatory factor analysis

Confirmatory factor analysis was first used to estimate the model parameters and examine the factor structure of the constructs tested. It is designed to test the multidimensionality of theoretical constructs. This study assesses the structural factor using AMOS 23.0. AMOS is a structural equation modelling (SEM), also called 'path analysis' is a software solution developed using standard methods of multivariate analysis (Byrne, 2001). The measurement models of confirmatory factor analysis were estimated based on a covariance matrix using the maximum likelihood estimation method (Browne and Cudeck, 1989; Chou and Bentler, 1995), which is the most commonly used approach in SEM.

Confirmatory factor analysis of exogenous constructs (traditional market service quality) are acceptable (has a goodness of fit) with the results (CMIN = 127,484, df = 58, p = 0.000, Cmin/df = 2.198). The absolute fit index of acceptable measurement model with (RMSEA = 0.076) with additional index and GFI = 0.915, AGFI = 0.901, TLI = 0.950, NFI = 0.942, CFI = 0.963, IFI = 0.963, RFI = 0.936, (Hair, Anderson, Ronald and William; 2010). And, confirmatory factor analysis of endogenous constructs (customer satisfaction and loyalty) are acceptable (has a goodness of fit) with the results (CMIN = 136,793, df = 52, p = 0.000, Cmin/df = 2,6306). The absolute fit index of acceptable measurement model with (RMSEA = 0.064) with additional indexes and GFI = 0.921, AGFI = 0.906, TLI = 0.948, NFI = 0.952, CFI = 0.959, IFI = 0.959, RFI = 0.938,. As shown in Figure 2.



	CMIN/DF	RMSEA	GFI	AGFI	TLI	NFI	CFI	IFI	RF1
Traditional Market Service Quality (Exogenous Construct)	2,198	0,076	0,915	0,901	0,950	0,942	0,963	0,963	0,936
Satisfaction and loyalty (Endogenous Construct)	2,6306	0,064	0,921	0,906	0,948	0,952	0,959	0,959	0,938
An acceptable level	≤ 3	$\leq$ 0,08	$\geq$ 0,90	$\geq$ 0,90	$\geq$ 0,90	$\geq$ 0,90	$\geq$ 0,90	$\geq$ 0,90	$\geq$ 0,90

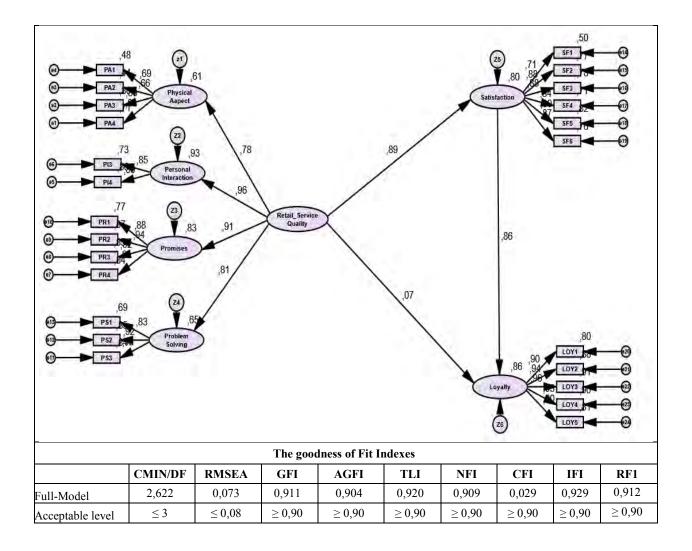
## Figure 2 Confirmatory Factor Analysis- Exogenous Constructs and Endogenous Constructs

The criteria of goodness of fit indexes show the results above or equal to the size of the suitability set. Thus, it can be concluded that the model based on confirmatory factor analysis of exogenous constructs and endogenous constructs used in this study is acceptable and formed the basis of the concept theory with some indicators or manifest as shown in Figure 2.

## Structural equation modeling

The structural equation modelling is a model that combines exogenous latent variables with endogenous latent variables or exogenous variable relationships with other endogenous variables. After going through the confirmatory factor analysis for measurement model both the exogenous latent variable and endogenous latent variable, the overall model is obtained as shown in Figure 3.

Figure 3 shows that the model of the structural equation shows a perfect model, with the result of CMIN / DF 2,622, as well as from other Fit indexes such as GFI, AGFI, TLI, NFI, CFI, IFI and RFI which all have values over 90% which means excellent model. The required RMSEA 0.073 value is below 0.08.



# Figure 3 The SEM Diagram Traditional Market Service Quality Creating Customer Satisfaction and Loyalty

## **Discussion and conclusion**

The research aims to determine the traditional market service quality was that create customer satisfaction and loyalty to each other. From the results, shown in Figure 3 and Table 2, there is an evident effect of the variables; traditional market service quality, customer satisfaction, and customer loyalty.

	Hypothesis		Standardized	SE	CR	P-valu	Result	
			(Estimated)				Ha	Ho
$H_1$	Traditional Market Service Quality $\rightarrow$	Customer Satisfaction	0,972	0,079	12,349	***	Rejected	Accepted

# Table 2 Hypothesis Testing Results

H2	Traditional Market Service Quality	$\rightarrow$	Customer Loyalty	0,098	0,093	1,049	0,294	Accepted	Rejected
Н3	Satisfaction	$\rightarrow$	Loyalty	1,076	0,104	10,374	***	Rejected	Accepted

The SEM results as Table 2 shows that  $H_1$  (traditional market service quality has a positive effect on customer satisfaction) and indicates that a critical value (*CR*) of 12,349 for the influence of traditional market service quality to customer satisfaction, and the P-value (probability) signification with \*\*\* which means that by default is significant. In other words, the regression weight for satisfaction predicted traditional market service quality is significantly different from zero at the 0.05 (two-tailed) level. Thus it was decided to reject  $H_a$  and accept  $H_o$ . Based on these results can be concluded that the service quality of traditional marker affects customer satisfaction significantly.

Traditional market service quality directly contributes 89,40% to customer satisfaction. It shows that the market shoppers are satisfied. The findings of this research are the positive effect of traditional market service quality on satisfaction; this means that better service quality of traditional market regarding physical aspects, reliability, personal interaction, problem-solving, and policy, will result in a more satisfied shopper of the traditional market. Nevertheless, the physical aspects become the lowest sub-variable of their contribution to the quality of traditional market services.

Lower service quality of traditional market will result in lower satisfaction. These findings are in line with Parasuraman, Zeithaml and Berry (1988) and Naeem and Saif (2009) who found that customer satisfaction is a result of service quality. Similarly, Thenmozhi and Dhanpal (2011) found customer satisfaction can be achieved through better service quality.

 $H_2$  (traditional market service quality has a positive effect on customer loyalty) show at the critical value (CR) 1,049 for the influence of traditional market service quality on customer loyalty, and P-value (probability) signification with 0,07 which means by default is significant. In other words, the regression weight for customer loyalty is not predicted by the traditional market service quality significantly; it was decided to accept  $H_a$  and reject  $H_o$ . Based on these results can be concluded that the traditional market service quality does not affect the customer loyalty of the traditional market shoppers in the West Java, Indonesia. The findings of this study are the absence of a positive influence on the traditional market service quality on customer loyalty. This finding contrasts with Anderson et al. (1994), Kumar and Manshor (2009) which states that high service quality results in high customer satisfaction and enhanced customer loyalty.

 $H_3$  (satisfaction has a positive effect on loyalty) shows a critical value (CR) 10,374 for the influence of customer satisfaction to customer loyalty, and the P-value (probability) signification with \*\*\* which means by default is significant. In other words, the regression weight for customer loyalty is predicted. Customer satisfaction is significantly different from zero at the 0.05 (two-tailed) level, it was decided to reject  $H_a$  and  $H_o$  is accepted. Based on these results, it can be concluded that customer satisfaction effects on customer loyalty of the traditional market shopper in the West Java, Indonesia. Customer satisfaction directly contributes 86,20 % to customer loyalty. It shows that market shoppers have loyalty to traditional markets. The findings of this

study are the positive influence of customer satisfaction on customer loyalty. A more satisfied traditional market shopper will be more loyal to the traditional market. Conversely, the more dissatisfied will un-loyal. This is in line with Kumar, Kee and Manshor (2009) research that high service quality resulted in high customer satisfaction and increased customer loyalty. Customer satisfaction is an important predictor of customer loyalty (Cheng, Chiu, Hu and Chang 2011). Olsen and Johnson (2003) found a positive relationship between customer satisfaction and customer loyalty and had a mediating effect on customer loyalty. They define loyalty as the intention of building behaviour. McAlexander, Kim and Roberts (2003) and examined the effect of customer satisfaction is a key driver of customer loyalty. The findings of the present research confirm the findings of those of other researchers.

#### Managerial Implication

Traditional markets require loyal customers to differentiate themselves and gain a sustainable competitive advantage in the retail sector. Customer loyalty is acquired in the long run. Therefore, in traditional markets should develop long-term relationships with customers, satisfy them and turn satisfied customers into customer loyalty. They must use tools that create customer satisfaction and customer loyalty. Although the degree of impact is at a low level, service quality is an essential tool for creating customer satisfaction and loyalty. Therefore, some efforts must be made by traditional markets in enhancing their competitiveness to obtain long-term customer loyalty. Also, traditional markets can be one of the attractive destinations. These efforts include; (1) promotion of trader discipline, (2) education to create clean, beautiful and hygienic markets, (3) improvement of basic knowledge for traders, and, (4) understanding consumer behaviour.

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# CORPORATE MEETING PARTICIPATION DECISION FACTORS INFLUENCE ON PARTICIPATION EXPERIENCE, PERCEIVED PERFORMANCE AND BEHAVIORAL INTENTIONS

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## Abstract

A study on corporate meetings is vital considering its volume in meeting industry and its impacts on the industry worldwide, yet it is less been investigated due to various difficulties. This study focuses on a study on decision making behavior of delegates who are the end users of corporate meetings, in particular, due to its importance in success of corporate meetings. Hence, this study develops and empirically testes influencing relationships among participation decision factors, participation experience, participation performance and behavioral intention of corporate meetings. The 296 units of survey feedback from corporate meeting delegates were obtained in South Korea for this study. Structured equation modeling was used to test the hypothesized relationships. Findings revealed that participation decision factors have positive influence on participation experience, participation experience on recognized performance, and both of participation experience and recognized performance on behavioral intention. Empirical insights and managerial implications are addressed in the discussion section.

*Keywords:* Corporate meeting, participation decision factors, participation experience, participation performance, behavioral intention

# AN EXPLORATORY ON THE PURCHASE INTENTION WITH E-COMMERCE LIVE PLATFORM THROUGH A MEANS-END CHAIN APPROACH

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## Abstract

In recent years, due to the advancement in technology and the trend of live webcasts, many internet celebrities have got on in life. The trend of the e-commerce live platform has increased the diversity of online shopping. It has also brought business opportunities to enterprises, and at the same time has changed the habits of consumers. This study adopted means-end chain (MEC) and used the laddering method as the tool when conducting one-on-one in-depth interviews with 40 Facebook users. Then, through the overall hierarchical structure of means-end chain, link product attributes, consumption results, and final values to draw a graph of the value hierarchy.

Keywords: E-commerce, live platform, purchase intention, means - end chain

## Introduction

Live webcast is the use of video streaming technology to spread information over the internet, which allows many viewers to watch live videos. The most significant difference between live webcast and traditional TV programs is interactivity, as live webcast enables streamers to provide instant replies, which endows viewers with a sense of participation. In addition to interactivity, live webcasts use the internet to spread information, which is inexpensive, convenient, and fast, and has been applied to online marketing, daily meetings, and live broadcast of activities. Different from traditional marketing methods, e-commerce live platform creates new interactivity and view experiences. As live webcast enables viewers to experience the sense of presence and allows consumers to clearly understand the characteristics of products to be sold, it can better attract the attention of consumers. Therefore, the effect of e-commerce live platform on consumers' purchase intention is an important issue.

Past studies showed that the para-social interactions of TV shopping program hosts and the marketing stimulation of TV shopping programs both have significant effect on impulsive purchases (Park & Lennon, 2004). Nowadays, with the popularity of mobile devices, 4G, and the

decreased technical threshold, live webcast services have been gradually spread to online platforms to further create the model of live webcast sales.

Past studies showed that the consumers of e-commerce platforms develop the tendency of impulsive purchase due to para-social interactions. However, existing studies cannot explain online impulsive purchase using e-commerce platforms as the development of social relationships that further affect consumers' purchase behavior. This study uses the means-end chain to investigate the real inner needs of users of e-commerce live platforms, as well as to investigate the purchasing experience of users of e-commerce live platforms. In recent years, the trend of live webcasts triggered by technological advancements have also created marketing and business opportunities for enterprises, and changed the habits of consumers. Therefore, whether user motivation can be converted into purchase need to become the trend indicator of future industry is an issue worthy of investigation.

#### Literature review

#### **E-commerce** Live Platform

E-commerce live platforms are platforms composed of social commerce and live webcast. Social commerce is a branch of e-commerce, as it uses social networks and the social media environment of Web 2.0 software to engage in e-commerce activities and transactions. It has three main features, social media technology, community interaction, and business activities (Huang & Benyoucef, 2013; Liang & Turban, 2011). With the increasing popularity of online live webcast and podcast presentations and speeches, as well as the application of various fields, the value of online live webcast has become increasingly prominent. At present, many social commerce platforms have included the function of

"live webcast" to form "e-commerce live platforms", which combines the characteristics of social commerce and live webcast, and provides consumers with a new consumer platform and consumption pattern (Li, 2017).

This study investigates the value needs to which users of e-commerce live platforms attach importance, and uses the means-end chain theory as the basis to perform laddering in-depth interviews with the users of e-commerce live platforms, in order to investigate their user behavioral intention and value meaning.

#### Real-time

Real-time means immediate and straightaway, which is usually applied to the field of information sciences to emphasize the rapid execution of real-time systems and the absence of long-time delays. Real-time also refers to the synchronous changes with the real world or procedures that occur almost synchronously. The study by Nardi et al. (2000) defined real-time as near-simultaneous communication, where interactions take place almost concurrently in a very

short time through extremely fast internet transmission; for example, the movement speed of images or objects shown on the screen is almost identical to that in the real world.

Real-time is mainly applied to information and communication transmission technologies. Although relevant studies have investigated the nature of the overall content of real-time, they failed to investigate the inner core values. This study uses in-depth interviews to investigate the value of real-time to users of e-commerce live platforms, and uses the means-end chain theory to probe into users' inner value to provide the research results as the development basis for software operators of e-commerce live platforms.

#### Convenience

With the advancements of the internet, convenience has become an important driving force for using the internet. Johnson & Kaye (2016) indicated that, due to the interactivity and transaction ability of the internet, convenience has become one of the characteristics of the internet. In the world that has gradually been limited by time, the time and budget of consumers are limited. Therefore, consumers certainly will seek the best consumption pattern. The rise of online stores enables consumers to conveniently engage in remote consumption, which significantly reduces the time spent on purchasing goods at physical stores, such as the time spent on parking and checking out (Bhatnagar et al., 2000), which enables consumers to enjoy the convenience created by the internet.

This study performs in-depth interviews with the users of e-commerce live platforms to investigate convenience and understand how people acquire convenience through the consumption pattern of e-commerce live platforms. Moreover, this study uses the relationship chain of the means-end chain to investigate the attributes, outcomes, and values pursued by users. Hopefully, the research results can be provided as reference for operators of e-commerce live platforms to make improvements according to the different needs of users.

## Interactivity and Para-social Interaction

Heeter (2000) indicated that interactivity is a series of actions and reactions of human beings, meaning the face-to-face interactions among people, interactions between human beings and machines, and even interactions among machines. Moreover, Horton & Richard Wohl (1956) called the remote intimacy formed between the face-to-face illusion, as experienced by viewers and mass media communicators at a remote distance, as "para-social interaction." Although viewers cannot directly interact with performers of mass media, they are still deemed to be interacting with performers. To most viewers, para-social interactions are regarded as the expansion of social communications. However, to people with fewer or weaker social relationships and insufficient interaction opportunities, para-social interactions may provide functional alternatives (Levy, 1979).

This study uses laddering interviews to directly guide the users of e-commerce live platforms to investigate and understand the effects of interactivity and virtual social interactions on purchase intention. Moreover, this study uses the means-end chain to investigate the affecting factors to explore the inner ultimate value of users, and provides suggestions for operators of e-commerce live platforms to improve software.

#### **Purchase Intention**

Purchase intention is most frequently used in the studies of consumers. In marketing studies, purchase intention is formed under the assumption of pending transactions, is usually used to predict the development of purchase behavior, and is suitable for short-term prediction. Therefore, purchase intention is regarded as an important indicator affecting purchase behavior (Chang & Wildt, 1994; Morwitz & Schmittlein, 1992).

This study investigates the purchase intention of users of e-commerce live platforms to understand the value meanings of e-commerce live platforms and the value of purchase intention. Moreover, this study uses the means-end chain theory, as proposed by Gutman (1982), to probe into users' inner values. Different user intention can be provided as the development basis for operators of e-commerce live platforms.

#### Means-End Chain

The means-end chain connects the basic attributes (approaches) of products or brands with the development process of values (objectives) in a laddered manner. The means-end chain is divided into 3 ladders: Ladder 1 is "attributes," which are consumers' perceptions of product characteristics, namely, consumers' level of understanding of products or services. In this study, attributes refer to the factors affecting purchase intention, as considered in the use of community live webcast e-commerce platforms. Ladder 2 is "outcomes," which are the effects obtained by consumers after using or purchasing products. In this study, outcomes refer to the factors considered in the use of community live webcast e-commerce platforms, namely, the outcomes generated after users' consumer experiences. Ladder 3 is "value," which are the inner ultimate desires of consumers, namely, consumers' ultimate needs. In this study, "value" refers to the important value of the use of community live webcast e-commerce platforms. Moreover, this study uses the classification of the List of Values (LOV) scale to investigate the inner ultimate value of consumers. Consumers' product knowledge is from their perception of product attributes, and the outcomes generated after the use of products can help consumers obtain the ultimate value.

#### Methdology

This study uses the means-end chain as the basis, laddering interviews to collect data, and analyzes the collected data one by one using data analysis methods. This study connects the overall ladder structure of product attributes, consumption outcomes, and ultimate values to investigate the ultimate core values of consumers using e-commerce live platforms. This study uses soft laddering interviews to perform one-on-one in-depth interviews, where the subjects are not constrained or limited, in order to naturally and smoothly answer the questions. The interviewers asked in-depth questions according to the subjects' answers, and "What is it very important to you?" as the focus to perform a series of guided explorations.

This study enrolls a total of 40 users (male: female=1:1) of the e-commerce live platform, Facebook, as the subjects, thus, meeting the requirement of Reynolds & Olson (2001) regarding a sample size of at least 20 subjects to conduct laddering interviews. This study mainly uses snowball sampling to enroll the subjects, and soft laddering to perform one-on-one interviews to explore consumers' purchase intentions for the e-commerce live platform, as well as their inner ultimate value.

#### **Research results**

This study performed in-depth interviews with 40 users of a live webcast e-commerce platform, and arranged the significant attributes (A), including: (1) affordable prices; (2) daily needs; (3) new and interesting ideas; (4) detailed introduction. These 4 important attributes are critical factors affecting consumers' purchase intention. For instance, the subjects suggested that a detailed introduction, as provided via live webcast, enables them to understand a product, as well as its affordable price and how it meets their daily needs. Therefore, their purchase intention is further stimulated, and they feel relaxed and delighted to purchase the product. According to the analysis results, operators are advised to attach importance to the inner and ultimate needs of consumers.

#### Statistical Analysis On Sample Structure

The research subjects are users of the e-commerce live platform, this study selects Facebook users as the research subjects, and the subjects had to receive their interviews in an undisturbed independent space. Prior to the interviews, the subjects are given an introduction to the research summary, and the background information of the subjects are recorded (Reynolds & Gutman, 1988). This study interviews a total of 40 subjects (male: female = 1: 1), with 20 subjects meeting the basic threshold of laddering interviews (Reynolds & Olson, 2001). This study performed one-to-one in-depth interviews from January to February 2018, and each interview lasted for approximately 30 minutes. The statistical data of the samples show that the age of most subjects is 21-30 years (75%); the educational level of most is university (52%), followed by graduate institute (25%); the occupation of most is student (50%); the viewing time of most is 30 minutes/time (67%); the viewing frequency of most is 1-3 times/week (85%). The educational level of 77% of the samples is university and above. Moreover, 100% of the subjects had used the live webcast feature of Facebook. Therefore, most of the samples understand the live webcast e-commerce platform to a certain extent and have accumulated user experiences.

# **Content** Code

After the interview data are coded, they are matched to the structure of attribute-consequencevalue, and the content code table is generated (as shown in Table 1). According to the results of content analysis, this study summarizes a total of 8 attributes (A), 7 consequences (C), and 5 values (V). The definitions and statistical frequencies of the various elements are shown in Table 1.

Attributes (A)	Element of the definition	Content description			
A01 New and interesting ideas	Feeling fresh and interesting to watch or buy	The product is novel and difficult to obtain			
A02 Detailed introduction	Carefully introduce or bring in new things	Showed merchandise, and known how to use			
A03 Daily needs	Everyday desire	It is something that needs to be used, and the product is very practical			
A04 Instant interaction	The process of communicating	The main broadcaster can			
	with each other immediately	immediately reply to leave a message			
A05 Popularity and evaluation	The popularity of people or things and the value of assessment	Large number of viewers			
A06 Affordable prices	The actual gains exceed the value of the goods expressed by the currency	Live special offers, and cheaper than market prices			
A07 Clearer the quality of goods	The more clearly understand the texture of goods	See the material of the product more clearly			
A08 Convenience and promptness	Convenient and fast	More convenient than physical store consumption			
Consequences (C)	Element of the definition	Content description			
C01 Products meet expectations	Commodity meets expectations	Product quality as the live broadcaster said			
C02 Saved time	Reduced time costs	Reduced the time to go shopping			
C03 Consumption after watching	After watching the live webcast, buying goodsBuy goods, troubles live purchasing				

*Table 1 Classification analysis of attribute, consequences and value* 

C04 Consumption again	Satisfied with the product or service, resulting in repurchasing	Continuous consumption, and order again		
C05 Reduced overhead	Reduce costs and consumer spending	Can reduce costs, and save some money		
C06 Stimulated purchase intention	Inspire purchase intention	The impulse to buy, and attract me to buy		
C07 Increased consumer desire	Increase consumers' desire to satisfy	Increasing willingness to purchase		
	their hearts from consumer goods	goods		
Values (V)	Element of the definition	Content description		
V01 Sense of trust	Feeling trusted	Feeling at ease, good reputation		
V02 The value is more than worth it	Exquisite items and goods are cheap	The product is worth buying		
V03 Feeling delighted and relaxed	Happiness, joy and comfortable	Not felt pressured		
V04 Sense of satisfaction	Meeting the requirement	Feeling satisfied, and felt fulfilled		
V05 Freshness	Feeling novel	Feeling new		

# Linkage Implication Matrix

This study codes the hierarchical elements of the attributes (A), consequences (C), and values (V) collected from the 40 subjects, and confirms the linkage relationships to draw the implication matrix (as shown in Table 2), which shows the number of linkages among various elements. This study screens linkage strength according to the suggestion of Reynolds & Gutman (1988), and refers to Pieters et al. (1995) to choose a cut-off value with a lower effective cell rate and a higher linkage rate; therefore, this study chose 4 as the cut-off value (as shown in Table 3). There are a total of 28 active cells above the cut-off value of 4 (41.79% of the total active cell), and the number of active linkages is 179 (69.65% of the total number of active linkages).

Table 2	Implication	n Matrix
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	C1	C2	C3	C4	C5	C6	C7	V1	V2	V3	V4	V5
A1	1		4			10	3					

A2	6	1	3	1		5	2					
A3	4		10		3	7	3					
A4	2		1			2	1					
A5	3		6			3	3					
A6	5		8		4	12	2					
A7	5		3			7	2					
A8	4	7	2			3	1					
C1				1				4	4	10	7	3
C2								1	2	4	3	1
C3				1				3	3	9	8	4
C4								2				
C5									3	1	2	
C6			2						4	10	7	
C7								1	1	2	4	1

Table 3 Statistics for determining a cutoff level

cut-off value	number of active cells	active cell rate	number of active linkages	active linkage rate
3	42	62.69%	221	85.99%
4	28	41.79%	179	69.65%
5	18	26.87%	139	54.09%

#### Analysis on Value Hierarchy

In order to reflect the important linkage relationships of the research theme and avoid an overly complicated value hierarchy diagram, this study chose cutoff value 4 as the baseline, and draws the value hierarchy diagram according to the implication matrix and linkage relationships of the attributes, consequences, and values above cutoff value 4.

## **Conclusion and suggestions**

This study used the means-end chain model and laddering in-depth interviews to collect the data, and obtained the value hierarchy diagram of the users of the e-commerce live platform, which

reflects the attributes considered by the subjects for their purchase intention to use the e-commerce live platform, the consequences and benefits after use, and the ultimate goal and value. This study summarized the 8 attributes, 7 consequences, and 5 values from users of the e-commerce live platform, suggesting that users of the e-commerce live platform pursue multiple elements, consequences, and values.

The purpose of this study is to understand the inner value perceived by users of e-commerce live platforms. The research results show that the ultimate values to which the users of e-commerce live platform attach the highest importance were "feeling delighted and relaxed," "sense of satisfaction," and "the value is more than worth it." In terms of feeling delighted and relaxed, the live webcast of the e-commerce live platform enables consumers to save time spent on shopping outdoors. In addition, consumers will not feel embarrassed or pressured to face shop managers or assistants. They can purchase the products that meet their inner needs, and eventually feel relaxed and delighted. The sense of satisfaction is an individual's subjective feeling, and refers to the individual's perception of sufficiency regarding a certain matter/object. Through the live webcast of the e-commerce live platform, consumers are able to view the described content as new and interesting, feel the product prices are affordable, and the products meet their daily needs.

As a result, consumers' purchase intention or direct consumption is stimulated, and they eventually perceive a sense of satisfaction. "The value is more than worth it" means that a product exceeds its original value, and consumers find the product exquisite and affordable. In addition, on an e-commerce live platform, consumers need only leave a message on the live webcast to place an order, send a private message regarding their delivery address to the store, and make the payment to complete the purchase, which consumers find convenient, fast, and worthy of purchase, and eventually feel that the value is more than worth it.

This study used the means-end chain method to investigate the purchase intentions of the users of the Facebook e-commerce live platform. According to the research results, this study proposed three management suggestions as reference for operators to apply to future practice and software development. Firstly, operators are advised to add a product catalogue for a live webcast to enable consumers to rapidly understand the information of the products sold by stores. Secondly, operators are advised to offer multiple and safe payment methods; the e-commerce live platform has just begun to become popular, thus, relevant payment systems are incomplete. Therefore, there should be trusted cooperative third parties involved to protect the rights of stores and customers. Lastly, operators are advised to increase consumers' sense of satisfaction and help other consumers further understand the credibility of stores and indirectly screen out high-quality stores to increase consumers' confidence in and loyalty to the e-commerce live platform.

The research limitations and suggestions can be provided as reference for future studies and operators to make improvements. Firstly, this study used the means-end chain method to investigate the attributes, consequences, and values of the use of an e-commerce live platform, and drew the value hierarchy diagram. A higher number of linkages represent the opinions of most users. Therefore, it is necessary to pay more attention and consider the opinions and perspectives

of minorities and special groups. Secondly, the main advantage of the means-end chain method is to deduce the value relationship between customers and operators. However, as three coders jointly performed content analysis in this study, their subjective values might be reflected in the analysis results. Subsequent studies are advised to add hard laddering interviews to obtain more data sources, and use statistical software to analyze data, in order to obtain a more explicit and objective value relationship diagram. Lastly, all of the subjects were Facebook users, and the inner and ultimate needs and values of users of other e-commerce live platforms were not investigated. Future studies are advised to investigate the users of other e-commerce live platforms and compare the goals and values pursued by users of different e-commerce live platforms.

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# THE STUDY OF THE HUMAN RESOURCE ENVIRONMENT AND OPPORTUNITIES FOR IMPROVEMENT WITHIN THE HOSPITALITY INDUSTRY

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# Introduction

The present investigation explains the importance of how the hospitality industry can improve the development of the process of exchange between employees and customers, and how increase the loyalty to the brand. The current research is using the follow variables: Empowerment as one of the useful tools for raising the equality of human resources and increased organizational effectiveness (Ziyakashany, 2009), leader member exchange (LMX) as an essential element for the achievement of an organization, service quality and the importance of the understanding and meaning for the hospitality industry, and how competitive psychological climate can influence in the organizations related to hospitality.

The objectives are based on the development of the hospitality industry in the actuality, for this reason it is expected that high leader member exchange has a positive influence on empowerment, also that empowerment mediates the relationship between high leader member exchange and quality service. Explain the positive relationship between high leader member exchange and quality service, and finally describe that leader member exchange has an increased and positive relationship with quality service compared to competitive psychological climate. Also that empowerment is more likely to positively relate to service quality than with competitive psychological climate.

Hospitality industry is focused on high customer satisfaction like any other business in the market. The difference in hospitality organizations is the customer satisfaction expressed by the concordance between the expected and experienced (Kosar and Raseta, 2005). As a result, every customer creates an expected experience of service with an individual value (Cosie, 2006), which

means that the best possible experiences to the customers in order to return excellent financial results to the owners of the business (Conway, 2005).

It is not only about the profits of the organization, but also is about the people within the hospitality organizations known as employees or collaborators. In this industry, Human Resources Management (HRM) is considered as an integral and significant part of the organization (Chon & Mair, 2009).

This management area is connecting people practices to business practices, considering the culture of every organization and mixing it with external and internal brand promises and experiences. HRM is no longer seen as an administrative center, instead it is recognized as a strategic center where professionals develop and build a culture, engagement initiatives, and learning and training programs for the rest members of the organization (Ajzen, 1991; Fishbein, M. & Ajzen, 1995; Lange, R. & Houran, J. 2015).

There employees who are able to use appropriate strategies in order to achieve goals and objectives, they are able to identify and meet the needs of customers and establish the organization's position, creating a competitive advantage in the market. These types of employees are known as effective leaders.

The exchange quality between a leader and a subordinate with confident, open interaction, sharing of information, and fondness focusing in their exceptional relationship is known as LMX (Graen & Scandura, 1987).

According to Liden and Maslyn (1998), the four dimensions of LMX: affect, loyalty, contribution, and professional respect.

Give the proper upgrade of the feelings of self-efficacy and making reference to energizing power in a hospitality organization are known by the name of empowerment (Kusluvan, 2003), which is understood as a process of transferring power from leaders to employees (Randolph, 1995), and as a result, the authority is delegated to the lower levels of the organization and all employees are involved in making decisions.

Whetten and Cameroon (1998) confirmed that empowerment has four dimensions based on what Thomas and Velthhouse (1990) mentioned before: impact, choice, competency, and meaning.

However, the most important fact is that employees with high LMX find the place of work to be more interesting and have positive attitudes when they are about to face encounters (Green, Anderson, & Shivers, 1996; Graen, Novak, & Sommerkamp, 1982) since through exchanges between the leader and employees, a supervisor can offer them empowerment, while the employee can offer a solid organizational commitment to accomplish a better performance for the leader (Green et al., 1996; Graen et al., 1982).

Consequently, this study is proved by the first hypothesis:

H<sub>1</sub>: High LMX quality relates positively with empowerment.

The indispensable element in an organization for achievement and subsistence in the competitive market environment is name quality service. This influences the behavior of the customer during the decision-making process, and also the level of the relationship between customer and organization, which can increase customer's loyalty to the organization or vice versa (Henning-Thurau et al., 2001), meanwhile it creates the opportunity to increase the loyalty of the customers to the brand.

SERVQUAL model proposed that quality service can be composed of five dimensions, which are: assurance, empathy, reliability, responsiveness, and tangibles.

Since empowering employees can also be seen as the trust that employees place in the organization, as they are sure that they will be treated fairly, equitably, and with impartiality (Moqali et al, 2009; Abdullahi and Heydari, 2009). In other words, the combination of employee satisfaction and competition are a base for successful quality service because employees have direct contact with customers (Salanova et al., 2005). For this reason, it is considered that the keys to be successful in quality service is empowerment because it can provide the employee job satisfaction and improve the relationship between them and customers (Lashley, 2001).

Hence this study investigates the role of empowerment in the hospitality industry:

 $\mathrm{H}_2\mathrm{:}$  Empowerment mediates the relationships between high LMX quality and quality service.

The degree to which employees perceive organizational rewards to be contingent on comparisons of their performance against that of their peers is known as competitive climate. Some factors that contribute to a competitive climate include perceptions of differential reward distribution, having performance compared to other individuals within a work unit, perceived competition from others, and frequent status comparisons (Brown, Cron, and Slocum, 1998).

There are studies where Brown, Cron and Slocum (1998) and Fletcher, Major and Davis (2008) adopted Deutsch's (1949) argument on the investigation of the psychological effects of competitive climate on individual perceptions and the outcome of the individual is more closely related to employees who perceive objective reality in the organizational levels.

An organization identifies the employees' commitment to work as improved quality during the process of exchange between them and the customer and is also reflected in the level of customer satisfaction, increasing the profits of the organization.

The sub fourth hypothesis is establishing to determine:

 $H_{4A}$ : High level of competitive psychological climate is expected to increase the impact of LMX on service quality.

Empowerment is a process which increases the internal motivation of the organization (Thomas and Velthouse, 1990), since the degree to which employees perceive organizational rewards depends on how they perform compared to their co-workers, and this is known as a competitive psychological climate (Brown, Cron and Slocum, 1998).

The sub fourth hypothesis will test if there is a positive relationship between empowerment, competitive psychological climate, and service quality:

 $H_{4B}$ : High level of competitive psychological climate is expected to increase the impact of empowerment on service quality.

# Methdology

The data for this investigation will be obtained in Peru, selecting hotels of category five stars as a sample and will survey managers and employees of the departments of Reception and Food & Beverages.

To validate evidence, this study will design and manage an online self-administered questionnaire. The questionnaire consists of two major sections: the first segment addresses a number of questions relating to the variables of research importance (empowerment, LMX, service quality, and competitive psychological climate), while the second segment deals with respondent's demographic information (gender, age, education, nationality, etc.).

This paper conducts a quantitative study that will adopted a five - point (1 -5) Likert Scale instrument (strongly agree to strongly disagree), separating the second section of the online self-administered questionnaire into four segments.

For LMX, the main variable used in this research and in accordance with the literature review and definitions, there are four dimensions: affection, loyalty, contribution, and professional respect. LMX will be measured using a scale of eleven elements established by Liden and Maslyn (1998), which will be adapted to this research. An example of one of the items is "My supervisor understands my needs and problems".

Empowerment will be measured by the scale of Spreitzer (1995). This scale of twelve elements consists of a division into four subscales based on the four dimensions that this variable contains (impact, choice, competence and meaning). An example item is "My work duties are meaningful to me" (Meaning).

Likewise, in this study, the version of SERVQUAL developed mainly from Parasuraman (1988) will be used and adapted to analyze the expectations of quality service and the perceptions of internal clients in hospitality organizations. SERVQUAL has a basic framework of concepts of the five determinants of quality service (security, empathy, reliability, responsiveness and tangibility). An example is "I do my best to offer service without mistakes" (Reliability).

Furthermore, competitive psychological climate will be measured with the Brown S. P., Crow W. L., and Scolum J. W. Jr. (1998). An example is "I enjoy working in situation involving competition with others".

The Statistical Package for Social Sciences (SPSS) will be utilized to carry out descriptive analysis, which will be providing respondents' profiles, correlations among the constructs, and Cronbach's Alpha reliability scores for each construct. A series of Cronbach's  $\alpha$  tests were conducted to examine internal consistency for every construct.

One simple linear regression analysis will be achieved to test the first hypothesis, which addresses if high LMX quality relates positively to empowerment. Consequently, a hierarchical regression analysis will be applied to the second hypothesis, which states if empowerment mediates the relationships between high LMX quality and quality service. For the third hypothesis, which addresses if high LMX quality relates positively with quality service, another hierarchical regression analysis will be conducted.

The hierarchical regression analysis will be carried out to test the fourth sub hypothesis A, high level of competitive psychological climate is expected to increase the impact of LMX on service quality., and to the examination of the fourth sub hypothesis B, where high level of competitive psychological climate is expected to increase the impact of empowerment on service quality. Because hierarchical regression is generally observed as an appropriated statistical method to test interaction effects (Lu and Gursoy, 2013; Phillips and Jang, 2007), this paper will adopt this analytical approach to examine moderating effects.

# THE APPLICATION OF AUTOMATED, POINT OF SALE SYSTEM CUSTOMER SERVICE ROBOTS TO ATTRACT

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# Abstract

In the field of food and beverage industry and education, to react to the trend of global industrial technology, more and more scholars began to discuss whether the service industry could accept innovative technology equipment, and implement education into the existing Taiwanese food and beverage industry, with the impact of the adoption of this equipment, as well as Use the effectiveness of the opportunity. This research focused on behavior of the service robot educating consumers on innovative ordering service. By sending the message of restaurant menu, and interacted with the consumers. therefore, in the research of intelligent service robots, how to make robots integrate into human being's daily life, don't appear to be hard and cold, and they can work together with human beings in the same environment become the goal that scholars work together. There are four focuses in this research: (1) the unified point of sale and order processing system (2) Improvement on the efficiency of the ordering service process (3) reducing staff work stress (4) enhancing the purchase intentions of consumers and their willingness to pay. The intelligent ordering service robots will change customers' impression of poor service and inefficiency in the food and beverage industry and open up a new prospect in evolution of the food and beverage industry.

Keywords: Robots, Hospitality Industry, Restaurant ordering system, Consumers, Waiters

#### Introduction

Most countries in the world became an aged society, facing the trend of low birth rate, aging population and the decrease in the labor force. The middle-aged demographic analysis of 2016 displayed that the elderly accounted for major population of 17.4 and young people accounted for 18.2 (MOI Department of Statistics, 2016) and estimated that, compared to 2016, the total population of 2061 will reduce approximately 17 to 27 percent and lead to manpower shortages. (National Development Council, 2016) On the basis of prediction of ECOSOC, the proportion of

labor force (15~64 years old) of advanced countries such as the United States, Japan, Germany will gradually decline in the future and Taiwan is no expectation. According to the National Development Council, they estimated that the proportion of labor force in Taiwan will drop from 74% to 53% in 2055 and the number will decrease from 1,737 million people in 2015 to 1,018 million people. (Chang, 2016) Take the catering industry as example, according to the Fiscal Information Agency, Ministry of Finance, it demonstrated that the number of profit margins got a sustained growth year by year in Taiwan's catering industry from 106,287 in 2011 to 124,124 in 2015; the growth rate reached 16.78% in the past five years. (Hsieh, 2016) The previous information showed that Taiwan has entered an aging society, while the catering industry has flourished, resulting in a shortage of manpower. Therefore, in this research, we'll employ new technology to build intelligent ordering service robots which could provide automatic services to reduce the burden on staff and improve the complex operating processes in restaurant. In the meantime, the robot can not only teach consumer how to order and know more about the dishes, but also make consumers enjoy the dining atmosphere in the restaurant.

The following will introduce the background, motivation and importance of this research project. With the progress of technology, informatization has become a trend in the future. Reducing manpower cost and improving the competitiveness of various industries, importing information systems and using their advantages, have become the key that is not to be sniffed at. There were many world's leading country of robotics technology, such as Japan, US, China, Singapore, etc. However, many governments had combined policies to replace the lack of manpower, for example, Germany attached great importance to high-tech industries and proposed "Industry 4.0 Project" to establish world-leading manufacturing and automation technology (Ma, 2016); Japanese Prime Minister Abe Shinzo regarded the Information Technology (IT), robots, and Artificial Intelligence (AI) as the "fourth industrial revolution" (Yang, 2016); China's "Made in China 2025" project will improve the level of artificial technology and move toward informatization "manufacturing power" (Koo, 2015).

In response to the changes of the times, countries have successively developed into the egeneration and start using techniques such as Internet information and high-tech. He (2012) pointed out that in recent years, with the coming period of informatization, more and more studies were being conducted in various countries on the development of the information age, such as domestic robots, entertainment robots, and commercial robots. Although there was no specific definition of robot service, as an electronic device, it not only had the human appearance but also could offer service (Kuo, Huang, Tseng, & Boger, 2016). The MIT research team developed the robot Kismet, the world's first intelligent robot that could simulate emotions. Kismet stetted up a learning system that not only communicated with people, but also mimicked human expressions such as delight, anger, sorrow, and happiness. In the past, hotel services were provided by humans and couldn't be replaced by machines. But now, you never know what will happen in the future. In the next era, some staff positions will be replaced.

At present, various domestic industries gradually replace traditional manual services with technology-based systems, which allows customers to consume by themselves. For example, the

combination of automation and hospitality becomes a trend. Therefore, "Informatization" is beneficial to improve the operating performance as well as customer satisfaction in the hospitality industry. Moreover, the robots have the appearance of imitating animal shape, so that it makes consumers easier to get closer and immerse themselves in the restaurant atmosphere. Then, when service robots provide service, they don't express any emotion. Unlikely to the human, while they're offering the service, their attitude may be affected by emotional problems. Furthermore, robots can save time and can avoid the error communication which is between the service staff and the kitchen. Next, Robots can share the load with staff, reduce the complex operating processes, speed up the rate flow of consumer ordering process and lower the waiting time for consumers. Finally, in addition to improving the quality of the restaurant service, robots enhance the standards of the restaurant management and reduce labor costs.

With the advance of technology and the social changes, the catering industry is originally a peopleoriented industry, however, it is constrained by the shortage of manpower, rising wages, and high turnover, and service personnel were vulnerable to pressure and emotions that affected the quality of service. There are signs that labor has gradually been replaced by robots. If consumers are no longer dependent on service personnel in the case of smart ordering service robots, what will affect the catering industry? Therefore, the purposes of the study are as follow:

- (a) Whether robotic service will have a positive impact on enjoyment of ordering processing.
- (b) Whether robotic service and enjoyment of ordering processing will have a positive effect on revisit intention.
- (c) Whether robotic service will have a positive effect on service efficiency.
- (d) Whether robotic service and service efficiency will have a positive effect on revisit intention.

(f) Based on the research results, provide catering industries with reference to the future innovative service model.

## Literature review

With the development of robots becoming more and more sophisticated and driven by the research of experts from various countries. Many smart robotics with intelligence and action capabilities had appeared in human daily life. It allowed the robots that had been used to in scientific research or industrial applications to gradually integrate into the activities of human beings. This not only improved the quality of people's lives, but also let Human-machine interaction between users and robots (Human-Robot- Interaction, HRI) become an emerging issue of interactive design. (You, Deng, Chen, Cheng, Dai, Yu, 2009; Cheng, 2010) The relationship between humans and machines had become more and more intimate. Human-computer interaction had evolved from the most primitive verbal command mode to the image user interface mode, and had progressed to the emotional communication mode. Communication between human beings had plenty of emotions. Therefore, in the design of human-machine interaction, with the humanity as the center, it was expected that robotics had emotional ability and became an important goal for the development of human-machines interaction. (Xu, 2014)

#### 2.1 Robotic service

Nowadays, traditional restaurant staffing service was replaced by self-service technologies. By using the Internet or interacting with machines, it made consumers to obtain goods or services that they really need. (Wang, Chen, Tzu, 2012) Allowing consumers to enjoy the fun of DIY was one of the reasons to attract consumers to use self-service (Dabholkar, 1996; Wu, 2011). At the same time, it improved the speed and efficiency of service delivery, reduced the cost and satisfied the individual service requirements (Seybold, 1998; Berry, 1999; Sindell, 2000). With the advent of the era of intelligent service robots, they were expected that using technology to create fun service in order to get closer to consumers. (Wang, 2016) Many companies in Japan also used Pepper robots from Soft Bank to serve as clerk to entertain customers, provide guides, or provide suggestions to attract people (Yang, 2016); MasterCard integrated the original financial service with Chatbot to assist human work. Service robots will be an important trend for the present and the future. (Jyh-Hwa & Kuo, 2008)

#### 2.2. Enjoyment of ordering processing

For the sake of convenience for modern people, many restaurants have launched machine self-service ordering, which not only speeds up the efficiency of ordering rate, but also brings more fun for consumers. We have made changes in the ordering mode. We have set up a tablet next to the table so that consumers don't need to wait for waiter to take their order. By using interactive machines to understand dishes and order meals on our own. Kitchen can immediately receive messages to start cooking due to reducing the time for ordering. (Luo, 2014) With the popularity of indoor positioning and sensor systems, global research shows that wireless network localization, Radio Frequency Identification (RFID) positioning and passive RFID technology have been used to research service robots, and it has been proposed to publish restaurant service robots that can be applied to robot restaurants. It is mainly responsible for ordering and delivering dishes to consumers and providing basic restaurant services (Yu, Yuan, Fu & Zhao, 2012). Wang, Cheng, and Hsu (2012) pointed out that for consumers, when they ordered food on their own, they could know the contents, nutrition, and price through the ordering system. Moreover, it could reduce the bores of ordering. Integrating robotic service into the catering industry not only reduces the time for ordering, but also spices things up while ordering. In summary, we inferred that:

H1: robotic service had a positive impact on enjoyment of ordering processing

#### 2.3 Service efficiency

In the case study of robotic service, there were many key features of the intelligent network, including automation, motorization, sensory function and action function. In order to achieve the goal of autonomously and intelligently moving robots as a service, through the built-in database, sectional decisions could be made directly in the cloud without communication (Chen & Hu, 2013). The growth of digital technology has transformed the economy, including restaurant systems and service processes. The smart restaurant system was an area of robotic application that

everyone may concerned. It was combined and extended by internal cognitive and mutual cognitive communication capabilities, and the system covered the entire ordering processing in restaurant, consumers, service personnel, kitchen, and counter included. These had been used in restaurants and may change the service processes in restaurants in the future (Pieska, Liuska, Jauhiainen, Auno & Oy, 2013).

Through the POS system, the meal information could be directly transmitted to the counter or kitchen to achieve faster meals, shortening the time for service personnel to return and improving overall service efficiency (Wang Mingjie, 2013). The robot system realized human-machine communication and cooperation functions. Through the machine learning system, the robot brought more benefits. The symbol system was an extremely important development (Taniguchi, 2016). In the future, intelligent automation will become the mainstream. In summary, we inferred that:

H2: Robotic service had a positive impact on improving service efficiency

# 2.4 Reducing work stress

Erkutlu & Chafra (2006) pointed out that stress was a situation that endangered personal happiness. Work stress referred to a condition that all work-related events had a negative impact on physical and mental health (Lin Weijun and Zheng Jinchang, 2008). Kim (2008) pointed out that employees who felt less stress can provide better customer service. However, workload was one of the sources of stress, and Spector (1987) explained that workload was the amount of work to be done, especially by a particular person or machine in a period of time. Set up an interactive robot at library counter to provide public consultation services could reduce the burden on counter service staff and impress readers who came to the library (Tsai, Lin, Shen, & Lai, 2017). In the catering industry, replace the manpower with robots not only could improve service efficiency but also attract visitors to the restaurant for meal.

(Chunjie, Qiao, Zhangjun, Ouyang & Xinyu, 2010) In summary, we inferred that:

H3: robotic service had a positive impact on reducing work stress

H4: robotic service had a positive impact on improving service efficiency

# 2.5. Revisit intention

Pullman & Gross (2004) pointed out that the key to the company's success was to enhance the customer's revisit intention. Repurchasing intention was a behavior that dominated cognition and emotion. When customers experienced a positive consumer experience, they would be driven back to consume or recommend to others (Schoefer &Diamantopoulos, 2008) Most of the customers prefer entertainment service scenes. For the operators, providing appropriate entertainment facilities can improve customers' positive emotions and satisfaction (Wakefield & Blodgett, 1994). Nowadays, technology had become the main point of business innovation. More and more restaurant operators would increase their budgets to invest in technology (Lorden & Pant, 2016) As a result, introducing robotic services into the catering industry may become a trend in the future. Ahn & Seo (2018) also pointed out that it was more and more common for restaurants to use self-service ordering or high-intelligence electronic products to attract customers. Therefore, the proper use of experience design could increase customer loyalty (Pullman & Gross, 2004). A successful entertainment experience could create unique and unforgettable feelings for customers, and have a positive effect on publicity through word of mouth (Pine & Gilmore, 1998). The more satisfied the consumers feel, the more likely they would increase their revisit intention (Wang, Tsai, & Chu, 2010). In summary, we inferred that:

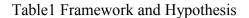
H5: improving service efficiency had a positive impact on revisit intention

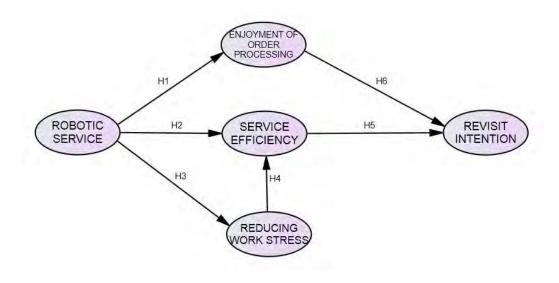
H6: enjoyment of ordering had a positive impact on revisit intention

# **Research method**

# 3.1. Framework and hypothesis

With the social phenomenon of a decrease in labor force, people's demands for quality of life are gradually increasing day by day. To discuss the innovative combination of catering industry and technology, in an attempt to create a new thought in catering services to educate consumers on ordering services. Hereby, robots could reduce the workload of (catering staff) and provide a more convenient food ordering system, which could unify service processes, improve service quality, and increase consumer satisfaction. This study refers to the concept of questionnaires of Wu, Wang & Chen (2013). It explores whether robotic service will affect consumers' enjoyment of ordering processing, improve service efficiency and reduce work stress, and thus influence their revisit intention. Therefore, the following research framework and hypotheses are proposed.





H1: robotic service has a positive impact on enjoyment of ordering processing

H2: robotic service has a positive impact on service efficiency

H3: robotic service has a positive impact on reducing work stress

H4: reducing work stress has a positive impact on service efficiency

H5: service efficiency has a positive impact on revisit intention

H6: enjoyment of ordering processing has a positive impact on revisit intention

# 3.2. Subjects/Materials

We picked up customers from a steak house in Taichung, Taiwan. The customers completed the questionnaire after operating the service robot. We distributed a total of 223 questionnaires. After recycling, they were screened and confirmed. A total of 207 questionnaires were completed.

# 3.3. Data Analysis

This study uses SPSS AMOS 20.0 software to perform structural equation model (Structural Equations Modeling, SEM) statistical analysis, and the variables explored include five frameworks: (1) robotic service (2) enjoyment of ordering processing (3) service efficiency (4) reducing work stress (5) revisit intention. The data analysis step is divided into four phases. First, use the confirmatory factor analysis (CFA) to eliminate the factors that didn't meet the model in each variable and test the fit of the model. Second, the Offending Estimates are used. Remove the outof-range estimation parameters. Third, test whether the composite reliability (CR) and Average Variance Extracted (AVE) of the potential variables in the data are stable and consistent with the designed topic. Finally, Path Analysis integrates the five facts that have been analyzed to verify whether the causality in the model is valid.

# **Anticipated achievement**

With the rising of population aging, most countries in the world gradually have become an aging society, come labor shortage. In order to deal with it, we apply the robotic service to the catering industry. According to the robotic service, we'd like to investigate the impact of robot services on the other four aspects. Then, we propose five variables: (1) robotic service (2) enjoyment of ordering processing (3) service efficiency (4) reducing work stress (5) revisits intention. In the second part, we quote many previous literatures to prove that the robot service has a positive on the other four aspects. At last, in this research, we use SPSS to conduct Structural Equation Modeling (SEM) analysis and employ path analysis to verify that whether the results of the analysis are consistent with our assumptions.

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# EQUIPPING TOURISM STUDIES STUDENTS FOR THE 21ST CENTURY WORKFORCE: COLLABORATIVE PARTNERSHIPS, LESSONS LEARNED AND RESEARCH REFLECTIONS ON TEACHING FOR CRITICAL THINKING

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# Key Words: Critical Thinking, Teaching Circles, Teaching Tools, Tourism Studies, Collaborative Learning, Critical Tourism Citizen, Critical Teaching Framework, Neoliberalism

There are serious contentions between the desire for educators to equip students with the skills required to think critically, and the pressures associated with specific field preparation. A collegial partnership has been formulated among the authors over the past two years to implement research investigations into teaching for critical thinking in Tourism Studies. The works of Freire, Giroux, Brookfield and Mezirow among others, have served as influential theoretical underpinnings that allowed the authors to collectively consider ways to create intentional spaces for critical pedagogy. Specifically, our analysis has coalesced in the development of a framework illustrating the necessary pillars to cultivate Critical Tourism Citizens; meaning graduates; who may critically examine, challenge and make sound decisions within the institutions and communities where they will serve as professionals. The neoliberal trend influencing university landscapes involves business-like approaches focusing on assessment and reporting of learning outcomes for administration, and accreditation entities, and includes emphasis on Professors being forced to

focus on student recruitment, enrolment and graduation numbers. A further trend in the higher education setting is to utilize and report assessment findings and other quantitative metrics driving scholars to focus on measuring and report learning outcomes that are often distanced from true learning processes. This collegial partnership and research team is representative of three earlycareer untenured female academics at three different universities in North America. The aim of this paper is to reflect on the research process that focused on opportunities to cultivate critical thinking in Tourism Studies students. This work is motivated by the researchers' mutual felt responsibility to collectively challenge neoliberal rhetoric in academic landscapes.

The authors considered the philosophical and conceptual concerns and contentions of the neoliberal agenda, and the corporatization of higher education as universities continue to move toward corporate business models within the Tourism Studies context. This growing neoliberal contention is particularly relevant in the Tourism Studies context as critical thinking is essential for the development of prepared professionals and lifelong learners in the post-graduation industry setting. However, there is a neoliberal agenda taking hold within the academy that forces educators to focus on the business of higher education in addition to the pedagogical requirements of teaching, research and service that are inherent to tenure-track advancement. This paper presents research reflections on empirical findings that resulted from collaborative partnerships and lessons learned regarding teaching for critical thinking in the Tourism Studies classroom. The presentation will highlight three aspects of our on-going research partnership that includes, the implementation of a Stockton Critical Teaching Circle, the collection and analysis of empirical data via Brookfield's (1987) Critical Incident Questionnaire (CIQ) and the development of a pedagogical framework for tertiary educators to facilitate critical thinking.

From a philosophical perspective, academics should be provided space to theorize and to cultivate critical thinking in their students. Giroux offers "As higher education's role as a center of critical thought and civic engagement is devalued, society is being transformed into a "spectacular space of consumption" and financial looting. Not only does the assault on society by neoliberalism reinforce the worse dimensions of casino capitalism in its role of recognizing exchange value as the only type of value, but it has also produced a politics of cruelty and disposability in which the poisonous elements of exclusion, racism, and the injuries of class have become normalized." (2016, p. 7). Therefore, one element of the collaborative research here within involved the implementation of critical thinking teaching circles for faculty. As a part of the international research team we collectively built a starting ground for the development of an online ecosystem for critical teaching tools.

The goal of the Stockton teaching circle for critical pedagogy in practice was to create a safe and inviting space for both seasoned scholars and newly minted doctorates to come together, exchange, share, reflect, and learn about the best, most creative pedagogical tools. The circles were supported through the Institute for Faculty Development (IFD) at Stockton University. The meetings helped to showcase and share critical teaching tools collected that mutually energized and challenged us to think critically about scholarship. The teaching circles also followed the spirit of internationalization, innovation, and inclusion, which encompass University strategic priorities and encouraged both face to face and on-line attendance and participation. The teaching circles held at Stockton University had a total of 12 participants who were asked to submit a short 150word description of a pedagogical tool that explained the context (size and offering of the class), any challenges experienced, and the key learnings from the implementation of the tool. These teaching circles met four times over one academic year and allowed for the collection of critical teaching tools. The roundtable meetings were also designed to serve as a space to discuss and further understand structures and forces of neoliberalism in the academy. In addition, the teaching circles allowed for pedagogical discussions and were envisioned to create an alternative pedagogical ecosystem.

The teaching circles provided a space to reflect on and consider challenges associated with neoliberal rhetoric that has become enmeshed in the academy. Accordingly, we were able to consider ways of confronting neoliberal structures through our practice by cultivating an ecosystem of reciprocity. The workshops allowed for a place, space and the time to investigate tools that mutually energize and challenge the scholarly community to think critically. The teaching circles also resulted in the exchange of creative tools to enhance pedagogical practices. Some themes that presented throughout the teaching circles was the juxtaposition between collegial partnerships (the critical) and competition (the neoliberal). Furthermore, these pedagogical circles highlighted the coming together of educators and the sharing of critical teaching tools. The goals achieved included the creation of an open forum in which the faculty participants generated a majority of the discussion, while having the opportunity to share best practices with the creative tools they circulated. Specifically, the participants were able to learn from multiple perspectives regarding the details of the tools which were shared and they were able to return to their classrooms with effective and inspiring tools to facilitate the critical in order to enhance their pedagogical practice. In summary, the intention of teaching circles was to collect and share teaching tools that are currently being implemented in the university classroom to facilitate critical thinking.

Another component of this research team's efforts involved the collection of empirical data utilizing a modified version of Brookfield's (1987) Critical Incident Questionnaire (CIQ) across three institutions and three Tourism Studies classes. The researchers were able to identify effective strategies for bringing the critical to the Tourism Studies classrooms through the analysis of the empirical data that was collected. The presentation will include discussions of excerpts of the qualitative findings. The empirical data was analyzed through the process of open, thematic and selective coding. In addition, the researchers conducted ongoing conference calls and meetings that served as an embodied praxis of critical inquiry focused on pedagogical innovation. Reflections regarding the methodological approach will be presented in order to further illustrate the research process undertaken by the research team.

The aforementioned data collection process and research findings resulted in the development of five-dimensional pedagogical framework. These dimensions will be presented and further discussed as to how they may contribute to the cultivation of graduates prepared as Critical Tourism Citizens. The authors will present this framework with intent to assist educators in facilitating critical thinking in the tertiary tourism classroom. These findings and resulting framework may serve to help facilitate critical examination among scholars while also preparing them to be critical professionals upon graduation.

In conclusion, the research team has also identified a need to further pedagogical inquiry for critical thinking in the tourism studies classroom specifically as related to sustainability. We are hopeful that our continual partnership and inquiry into critical pedagogy has resulted in and will further contribute to the creation of an ecosystem of sharing and exchange. These research experiences have cultivated an enhanced learning environment for ourselves, and our students, while creating spaces for reflection and social change.

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# A WAY OUT OF 2008 CRISIS IN CYPRUS ECONOMY: EVIDENCE FROM A DISAGGREGATED INVESTMENT MODEL, 1960-2017

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## Abstract

In the recent empirical growth literature, a contradiction has emerged from the relationship between equipment investment and long run growth rates, especially in cross-country studies. In a series of papers, De Long and Summers (1991, 1992, 1993) have argued that there is a strong and robust link between equipment investment and economic growth. The same is true for equipment prices

(Jones, 1994), import (Lee, 1995), and adoption of technologies that are embodied in equipment (Hendricks, 2000). The result is also found in the studies employing the best practical techniques advocated in the econometric literature (Temple, 1999; Temple and Voth, 1998), and disaggregating investment as equipment and non-equipment private investment (Jalilian and Odedokun, 2000). Boèhm et al. (2002) investigated the categories buildings, machinery and equipment, and vehicles. They found out that all estimates of capital stocks and depreciation based on industry level investment are insignificant. Giulietti et al. (2004) used different approach to find out the effect of FDI using a disaggregated the UK food sector whereas Speight and Thompson

(2006) tested for time irreversibility in UK investment according to disaggregation by type of investment expenditure. Jalil and Idrees (2013) disaggregated education and evaluated the level and growth effect of education on the economic growth of Pakistan. Zhang and Li (2014) examined the component of GDP and showed that the growth rates of all the major components of China's real GDP have followed a relatively steady course. Coruk (2014) and Coruk and Guler (2015) also disaggregated total government spending into government investment in order to investigate the effects of sub-components of government spending.

This paper empirically investigates the link between different disaggregation of investment and economic growth in order to shed light on which type of disaggregated investment can better promote economic growth aftermath of 2008 crisis in the Cyprus economy. Advanced multivariate cointegration and causality techniques are conducted for analysing a disaggregated investment version of the Augmented Solow Growth model over the period 1960-2017. The empirical results suggest that the disaggregated investments rates such as investment in the tourism sector and investment in construction are the most important factors among the others. The findings also show that investment in the tourism sector and investment in non-tourism construction cause output growth in the short run period whilst investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the short run period whilst investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism sector and investment in the tourism

Keywords: Disaggregated investment, Exogenous growth, co-integration analysis, 2008 crisis, Cyprus economy

# A MODEL OF CONSUMER BASED BRAND EQUITY FOR HOLIDAY DESTINATIONS

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# Abstract

Consumer-Based Brand Equity (CBBE) is an intangible asset that determines the value of the brand from consumers' point of view. CBBE is associated with brand positioning, competitive advantage, brand extensions and brand performance and therefore it receives a great deal of interest from both academics and practitioners (Aaker, 1996; Keller, 1993; Nam, Ekinci and Whyatt, 2011; Anselmsson, Burt & Tunca, 2017). Similar to goods dominant brands, tourism marketers recognize the value of developing strong destination brands and assessing destination brand equity from tourists' point view (Tasci *et al.*, 2016). In doing so, previous studies predominantly apply the goods oriented models developed by Aaker (1996) and Keller (1993) to investigate tourism destination brand equity. However, brand equity models are not directly applicable to tourism destinations. Also previous applications of Aaker's (1996) brand equity model to tourism destinations display poor validity (Boo, Busser & Baloglu, 2009). Hence there is limited research to understand determinants of CBBE for tourism destinations. In order to address this gap, the study aims to introduce a CBBE for holiday destinations.

A print copy of the survey was administered to 180 British tourists who visited overseas holiday destinations. The survey included measures validated by previous studies (Yoo and Donthu 2001; Nam et al., 2011). A structural equation modeling (SEM) approach was employed to examine the measurement and structural components of the model. First, the measurement model was used to assess validity and reliability of the measures. Then, the structural model was examined to test the research hypotheses. Before the measurement and structural models were examined, normality of the data was checked using the skewness and kurtosis test. The results confirmed that the

distribution of the data was normal (Hair et al., 2018). To determine whether common-method variance poses a problem, Harman's single-factor test was utilized (Podsakoff et al., 2003). Reliability of the measures was examined with the composite reliability test. All the measurement scales exceeded the recommended 0.70 level. For validity, two aspects were examined; convergent and discriminant validity. Fornell and Larcker (1981) indicate that convergent validity is achieved, if the average variance extracted (AVE) is 0.50 or above, whereas discriminant validity is achieved when the AVE is greater than the squared inter-construct correlations. For all constructs in the the model, convergent and discriminant validity were achieved. Also assessment of the model fit incideces confirm that the data have a good fit to the model (n=180,  $\chi^2$  = 32.82, df = 29, GFI = 0.97, NFI = 0.96, TLI = 0.99, CFI = 1.00, RMSEA = 0.03).

The findings of the study suggest that destination brand awareness, physical quality, staff behaviour, ideal-self congruence, brand identification and tourist satisfaction are key components of the holiday destination brand equity. Furtheremore, tourist satisfaction partially mediates the relationships between brand equity dimensions and attitudinal loyalty to holiday destinations. Theretical and managerial implications of the study findings are are discussed.

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# FUNCTION OF MASS COMMUNICATION INSTRUMENTS TO SET AGENDA

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# Abstract

Human being is an entity making communication and feeling the obligation to make communication. He/she is continuously in communication verbally or through body language and sign language. Communication helps us to receive news and transfer it, enter into dialogue, acquire information, have fund, make use of spare time, and satisfy many needs similar to these.

Satisfaction of our needs has become easier, quicker, and obligatory in a world becoming liberal thanks to mass communication instruments. Thanks to mass communication instruments, we are included in the time we call a global village. Thanks to the developing technology, our news network has become wider. The structure of mass communication instruments underwent to transformation thanks to internet, and the newspapers, radios, and televisions broadcasting through internet have derived. Traditional media has also generated its own mass networks.

Media enables every kind of renewals in agenda to be first -hand learnt quickly and accurately. Structural features of media have been effective on how the agenda will change.

Keywords: Mass Communication Instruments, Social Media, Agenda Setting

# A MEASUREMENT SCALE OF ENTERTAINMENT TOURISM EXPERIENCE IN MACAU

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# Abstract

Tourism and entertainment industry was an important component in the world's service sector. Entertainment tourism was receiving more attentions, not only from practitioners, but also from academics. This study developed a scale to measure entertainment tourism experience in Macau from the consumers' perspective. Entertainemt tourism in this study was operationalized by Learning, Enjoyment, Escape, Refreshment, Novelty, Involvement, and Local culture. After examining the reliability of the measurement scale, this study applied factor analysis and multidimensional scaling to establish survey instrument. The reliability and validity of the scale were confirmed through the first and second order confirmatory factor analysis. This study provided theoretical and practical implications and recommendations to entertainment stakeholders, including entertainment suppliers, and government to promote entertainment tourism practice in Macau.

Keywords: Entertainment, Tourism Experience, Measurement Scale, Macau

# UNDERSTANDING THE THOUGHTS MICRO-TRADERS WHO HARASS VISITORS SHARE

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# Abstract

One area psychologists agree is thoughts influence behavior. Despite this realization discussion on the psychological antecedents of visitor harassment has been few. Hence, the goal of this concept paper was to posit beliefs micro-traders who harass visitors would share. Existing studies and non-academic publications were used to support the arguments presented. Approximately 20 beliefs were named and discussed. For example, it was posited micro-traders who harass visitors believe: 1] such behaviors are necessary for survival; 2] visitors to their communities are wealthy; and 3] their harassing selling behaviors have minimal negative impact on visitors.

The harassment of visitors by micro-traders is a vexatious issue and to which tourism leaders across the world have responded with a plethora of initiatives. However, many of these initiatives failed to yield sustainable results. A likely contributor to these poor results is tourism leaders not knowing and targeting the beliefs fueling such behaviors.

According to psychologists thoughts influence behavior. Therefore, the goal of this article was to name the beliefs likely to fuel micro-traders' harassing behaviors when selling to tourists. A careful review of the scholarly and non-scholarly literature revealed approximately 20 beliefs micro-traders who harass visitors share. The top five being the belief that: 1] harassing visitors is necessary for survival; 2] visitors are wealthy; 3] harassing selling behaviors have little or no negative effect on visitors; 4] they are entitled to visitors in their community's business; and 5] harassing selling behaviors are normal, even cultural. A few suggestions were then made. For example, it was suggested that learning and communication programs be created at the destination level to tackle these beliefs. It was also suggested that studies be conducted with the goal of assisting researchers and practitioners better understand these beliefs.

The ideas espoused in the article have many implications. It may lead to more psychological approaches being used in the fight to reduce negative visitor harassment. It may also lead to more studies on the psychological antecedents of micro-traders' harassing selling behaviors.

Keywords: visitor harassment, tourist harassment, beliefs, psychology, unlearning

# CUSTOMERS' PERCEPTIONS OF GREEN HOTEL ATTRIBUTES AND ITS RELATIONSHIP WITH GREEN SERVICE QUALITY, GREEN CUSTOMER SATISFACTION AND GREEN CUSTOMER LOYALTY

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# Abstract

This study attempts to test a research model to gain a better understanding of the relationships amongst green hotel attributes, green service quality, green customer satisfaction and green loyalty. The data were collected from a sample of 300 tourists staying in five green hotels and five attributes (energy, water, waste, food and education) were used to conceptualise and measure green hotel attributes. The findings of this study fill the gap in the existing body of literature pertaining to green customer behaviour, and provide the hotel industry with significant information on the perceptions of customers on green hotel attributes and their behavioural intentions towards a green hotel.

Keywords: Green hotels, green service quality, green customer satisfaction, green customer loyalty

#### Introduction

Over the last decade, the impacts of hotels' green attributes have attracted much interest in the tourism and hospitality literature (Chan & Wong, 2006; Han, Hsu, & Sheu, 2010; Kim & Han, 2010; Teng, Wu, & Liu, 2013). Travelers are nowadays more environmentally conscious and want to spend their holidays in hotels that operate in a responsible manner towards their employees, local community, local culture and surrounding ecology (Millar & Baloglu, 2008; Tzschentkea, 2008; Lee, Hsu, Han & Kim, 2010; Han & Chan, 2013). It is believed that customers favour green products and prefer environmentally responsible organisations that meet their green requirements (Han & Kim, 2010). With an increase in demand for green consumption, hotels are adopting greener practices in order to meet customers' needs (Han & Kim, 2010; Li, Yang, Kuo, & Hung, 2014). Research reveal that hotels adopt green initiatives such as creating programs to save water, save energy, reduce solid waste and protect the earth with the aim to become a green hotel (Revilla et al., 2001; Ogbeide, 2012).

However, despite the growing number of scholarly work on green hotel attributes and its potential benefits to the tourism and hospitality industry, few studies have specifically examined the relationship between green hotel attributes, green service quality, green customer satisfaction and green loyalty (Wu, Ai & Cheng, 2016). Though, a plethora of previous studies have paid attention to service quality, customer satisfaction and customer loyalty in the hotel industry, limited studies have specifically looked at the relationship between these attributes and green hotels (Chang & Fong, 2010; Ryu, Lee & Kim, 2012; Al-alak and EL-Refae, 2012; Worsfold *et al.*, 2016). Studies on green hotels have examined staying intention (Han et al., 2010), green image (Wu et al., 2016), switching intentions (Wu et al., 2016) and tourists' revisit and recommendation intentions (Lee, Hsu, Han, & Kim, 2010). However, research seems to be somewhat lagging behind in addressing green hotel attributes on green service outcomes. Moreover, according to Lee and Cheng (2018), due to the special service requirements of green hotels, existing hotel service quality measurements item are not appropriate to measure service quality in green hotels.

The literature reveals that studies which have been conducted on green hotels are mostly from the European, Asian and American context (Millar & Baloglu, 2008; Singh, Cranage and Lee, 2014; Tilikidou & Delistavrou 2015; Jiang & Kim, 2015; Wu, Ai & Cheng, 2016) and research evaluating green hotels attributes in resorts in small islands are limited (Ramseook-Munhurrun et al., 2015). The island of Mauritius is highly dependent on tourism activities for economic development and the holiday experience is provided to a great extent by enclave resorts (Naidoo & Ramseook-Munhurun, 2016; Naidoo & Pearce, 2016; Naidoo & Sharpley, 2015). An increasing number of hotels have included sustainability into their corporate strategies (Verma & Chandra, 2017). Some of the hotels implementing green practices in Mauritius have been rewarded with one or more of the green certifications such as the "Earth Check Silver", "Travel Life Gold", "Green Globe" and "Green Key". The main objective of certifications is to minimise the negative impacts on the environment, strengthen the hotels' image and attract more customers to green hotels. Moreover, according to Green Hotels Association (2008), hotels that are environmentally friendly will likely benefit from less staff turnover, customer loyalty as well as developing long-term value.

The purpose of this study is to examine green hotel attributes and its relationships with green service quality, green customer satisfaction and green behavioural intentions through the use of structural equation modelling. The literature review is provided in the next section.

# **Literature Review**

# Definition of Green Hotel

Tourism Council Australia (1998) defines green hotels as natural tourist lodgings where the business environment has been designed and managed in an environmentally sensitive manner. These hotels provide tourists with green products/services which reflect the features of natural ecologies such as healthy and refreshing accommodations. Guest in these naturalistic lodgings may also enjoy educational experiences and learn on environmental conservation. The Green Hotels Association (2008) defines a green hotel as an environmentally friendly organisation that provide programmes to save water, save energy and reduce solid waste while saving cost and protect the earth. Kasim (2004) highlights that corporate sustainability is an important component of green hotel and defines it as an organization which operates in a responsible manner towards its

employees, the local community, the local culture, and the surrounding ecology. Moreover, green hotel criteria can also take into consideration indoor air quality, noise reduction, use of green products, paperless technologies, green transportation, environmental education and community service (Pizam, 2009). Other authors such as Ceballos-Lascurain (1993) also included making use of renewable energy, rainwater harvesting, waste recycling, energy efficient lighting and use of local materials. Likewise, Verma & Chandra (2017) concluded that waste management systems, recycling practices, energy management are key components of green hotels. Studies have also classified hotels as "green" when they adopt green certification programmes such as eco-labels, Leadership in Energy and Environmental Design (LEED) (Huh & Chang, 2017). Other studies such as Kwok et al. (2016) and Li et al. (2014) identified food as a major attribute of green consumption in hospitality organisations. The importance of organic ingredients, locally grown, reduction of food wastage, traditional food with local characteristics or even use of vegetables, herbs, and plants planted in hotel's garden were found to be important factors to consider. Consumers are also more conscious about their health they accept to pay more for fresh foods such as locally grown sustainable and organic food (Bonn, Cronin & Cho, 2016). To summarise, the green approach is implemented through the concepts of reuse, reduce and recycle, corporate social responsibility, green education, energy efficiency, water management, food, education, and waste management.

Hotel operators strive to position themselves as eco-friendly and provide green products and services to satisfy their customers (Slevitch *et al.*, 2013). Past studies have used different green attributes to measure the impacts of green hotels (Robinot & Giannelloni, 2010; Han & Chan, 2013; Chang, Tsai & Yeh, 2014; Hsiao, Chuang, Kuoc & Yu, 2014; Nezakatia *et al.*, 2015; Suki & Suki, 2015; Liu & Mattila, 2016). Table 1 depicts some of the attributes used by past studies to measure and assess green hotels' attributes.

Authors	Attributes	Setting		
Millar & Baloglu (2008)	Sheets Changed, Occupancy Sensors, Key Cards, Energy Saving, Towel Re-Use, Recycling Bins Low Flow Toilets, Low Flow Faucets Refillable Shampoo, Refillable Soap Low Flow Showerheads	USA, Hotels		
Robinot & Giannelloni (2010)	Energy saving, Clean environment and clean air	France, Hotel		
Han & Chan (2013)	Energy, Environmentally friendly materials	Hong-Kong, Hotels		
Chang <i>et al.</i> (2014)	Education	Taiwan, Hotels		
Singh <i>et al.</i> (2014)	Waste, Recycling	USA, Hotels		
Hsiao <i>et al</i> . (2014)	Environmental policy, Water resource Energy, Solid waste, Indoor environment, Green purchasing Corporate management, Staff education, Public and community relationship, Consumer education,	Taiwan, Hotel		
Kwok et al. (2016)		USA, Restaurant		

Table 1 Green Hotel Attributes

Food focused, Environment focused,
Administration focused

(Source: Adapted from the literature)

# Green Service Quality

The service literature has demonstrated that customers are becoming increasingly sensitive to service elements and the overall quality of service significantly impacts customers' satisfaction and loyalty (Baker & Crompton, 2000; Cronin et al., 2000; Caruana, 2002), thereby playing an important role in business strategies (Parasuraman, Zeithaml & Berry, 1988; Getty & Getty, 2003). Customers evaluate the quality of services provided by organisations based on the discrepancy among expectations and perceptions (Grönroos, 1984; Parasuraman et al., 1988). Many hotel chains are setting standards and taking initiatives to become more environmentally friendly, however, it is important to understand how the customers accept these green practices. Kasim's (2004) study in Malaysia found that even if tourists implement green practices at home, they are less likely to be concerned with green practices when traveling. The tourists were more concerned with local culture, food, and hotel staff quality than they were about conservation and environmental efforts in hotels, such as displaying large soap dispensers instead of individually wrapped soaps and implementing towel reuse programs. Similarly, in the lodging industry in India, Manaktola and Jauhari (2007) concluded that hotels' products and services must equally be of high standard in order for a guest to patronize the green hotel over another hotel. This study showed that customers of green hotels would not choose a hotel simply because it is implementing green practices but the hotel must offer similar service levels and comparable amenities in order to be selected by the guests. The significance of green service quality is gaining attention. For example, Lee & Chang (2018) recently measured green service quality through the GLSERV scale based on a modified LODGSERV (Knutson et al., 1990). The scale used similar dimensions as the SERVQUAL mainly Tangibles, Reliability, Responsiveness, Assurance, Empathy but also consists of an additional dimension to measure "Conveyance of Environmental Protection Knowledge".

# Customer Satisfaction and Customer Loyalty

Customer satisfaction is a widely researched concept in the consumer behaviour field (Yoon & Uysal, 2005). Enhancing customer satisfaction is regarded as a key factor leading to the success of hotels (Homburg et al., 2005). Recently, Martínez (2015) has defined green customer satisfaction as the level of feelings arising from the ability of a product or service to satisfy needs, wants and desires in an environmentally sound, sustainable and eco-friendly manner. Past studies have also established relationships between service quality, customer satisfaction and loyalty (Hansen & Bush, 1999). Empirical evidence showed that higher levels of service quality would enhance satisfaction and behavioural intentions of customers (Kim et al., 2009).

# Methodology

Based on a thorough literature review, a questionnaire consisting of 49 items was developed. All variables in the model were measured using multi-item scales. 28-items were adopted from previous studies to measure green hotel attributes using 5 factors, namely energy, water, waste,

education and food (Millar & Baloglu, 2008; Hsiao *et al.*, 2014; Li *et al.*, 2014; Kwok *et al.*, 2016). The work of Robinot & Giannelloni (2010) was adopted to develop the 14-items to measure green service quality, namely green tangibles (9-items) and green intangibles (5-items). The work of Martinez (2015) was adopted to measure green customer satisfaction (4-items). The 3-items measuring green customer loyalty was based on the work of Chang & Fong (2010). The questionnaire also captured the guests' demographic characteristics, such as gender, age, highest level of education, occupation, nationality, type of hotel stayed, knowledge about green concept, green certification and ways of awareness on green practices. Respondents were asked to rate their level of agreement for each item using a 5-point scale (1 = *strongly disagree;* 5 = strongly agree). Using convenient sampling, a total of 300 questionnaires was distributed to guests staying in 5 and 4 stars selected green hotels in Mauritius. Green hotels in this study are organisations which have been awarded one or more green certifications namely "Earth Check Silver", "Travel Life Gold", "Green Globe" and "Green Key".

A conceptual framework was developed to investigate the relationships between green hotels attributes, green service quality, green customer satisfaction and green customer loyalty as depicted in Figure 1. Based on the literature review (Chang and Fong, 2010; Li *et al.*, 2014; Wu *et al.*, 2016), this study has proposed the following hypotheses:

- H1: Green hotels attributes are positively related to perceived green service quality.
- H2: Green hotels attributes are positively related to green customer satisfaction.
- H3: Green hotels attributes are positively related to green customer loyalty.
- H4: Perceived green service quality is positively related to green customer satisfaction.
- H5: Perceived green service quality is positively related to green customer loyalty.
- H6: Green customer satisfaction is positively related to green customer loyalty.

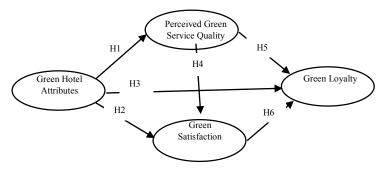


Figure 1: Proposed model

SPSS 20 and AMOS 21.0 were used to analyze the data. Following Anderson and Gerbing's (1988) two-step approach, a measurement model was first estimated using confirmatory factor analysis.

The high factor loadings, composite reliability, and average variances extracted (AVE) for each construct were used to confirm the reliability, convergent validity, and discriminant validity of the instrument (see Table 2). Then the structural equation modelling was employed to test the hypotheses.

#### **Results and discussions**

The demographic characteristics of the samples showed that 51.9% of the respondents were female and 48.1% were male. Approximately 30% of the respondents were aged between 41 and 50. A majority of respondents had an "Undergraduate Degree" (35.7%), followed by vocational qualifications (22.3%). Additionally, most respondents were "employed" (43.1%), followed by "retired" (29%). Furthermore, the majority of the respondents were "French" (33.2%), followed by "British" (24%), "German" (15.9%), "Spaniard" (13.4%), "Chinese" (8.1%) and "Others" (5.3%). Subsequently, most of the respondents stayed in "5-Star Hotels" (60.4%) followed by "4-Star Hotels" (39.6%). Almost 89.8% of the respondents were familiar of green practices and action of going green while only 10.2% were not aware, and interestingly, 88.7% of them were aware that the hotels they were staying had a green certification.

# Exploratory Factor Analysis (EFA)

EFA was conducted on the 5 factors of green hotels attributes. The five-factor structure explained 69.67% of the total variance. Four items with factor loadings less than 0.4 were deleted. The factor loading for the 24-items thus ranged from 0.643 to 0.894. The total Cronbach Alpha of 0.833 indicates that the five dimensions of the green hotel attributes are internally reliable (Nunnally, 1994). It was further observed that the Cronbach's  $\alpha$  coefficient of "green service quality" was 0.837; that of "green satisfaction" was 0.801; and that of "green loyalty" 0.805. The Cronbach's  $\alpha$  coefficients of the four constructs were more than 0.7, these measurements were also found to be internally reliable.

# Measurement Model Analysis

Confirmatory factor analysis (CFA) was further performed to confirm the structures of the four constructs of this study. After modification, the factor loadings of all remaining items of each construct were within the range of 0.611 and 0.925. As shown in Table 2, the composite reliability (CR) ranged from 0.713 to 0.881, which were all above 0.70 (Hair, Black, Babin, & Anderson, 2010), indicating a good internal consistency reliability. The average variance extracted (AVE) ranged from 0.492 to 0.715. All of them were larger than or close to the suggested threshold of 0.50 (Fornell and Larcker, 1981; Hair et al., 2010) showing that all items captured sufficient variance in their underlying factors. Therefore, the convergent validity of the scale was considered as acceptable. Additionally, the correlations of the variables were performed. The square roots of the AVE (diagonal values) were all higher than the inter-correlation values among each item, revealing appropriate discriminant validity. All of the correlation values among the constructs of the model were significant (p < 0.01), with the values ranging from a minimum of 0.326 to a maximum of 0.695. The square-root of the AVE of each dimension was higher than the correlations between it and any other dimensions in the scale model. Thus, four dimensions were

distinct from each other, indicating high discriminant validity (Fornell & Cha, 1994). The measurement model showed an adequate convergent validity and discriminant validity.

Constructs	Mean	SD	CR	AVE	Green Hotel	Green Service	Green	Green
					Attributes	Quality	Satisfaction	Loyalty
Green Hotel	4.21	.323	0.713	0.555	0.745			
Attributes								
Green Service	4.18	.367	0.802	0.492	0.648*	0.671		
Quality								
Green Satisfaction	4.05	.797	0.813	0.532	0.695*	0.583*	0.729	
Green Loyalty	3.76	.952	0.881	0.715	0.351*	0.604*	0.326*	0.845

Table 2 Discriminant validity

\**p* < .01 (two-tailed)

#### Structural Equation Modeling (SEM)

Next, the structural equation modeling (SEM) was employed to test the relationships among the proposed constructs: green hotel attributes, green service quality, green satisfaction and green loyalty. According to Hu and Bentler (1999), the proposed structural model has an acceptable fit (Chi-square/degree of freedom=2.61, GFI = 0.912, RMSEA = 0.076, NFI = 0.880, CFI = 0.922). Only four of the six hypotheseswere supported in this study. As shown in Figure 2, the results indicated that the path coefficients from green hotel attributes to green service quality and green satisfaction were all statistically significant and in the expected directions. Thus, H1 ( $\beta$ =0.45, p < 0.001) and H2 ( $\beta$ =0.54, p < 0.001) were supported. Therefore, green hotel attribute has a positive influence on customers' perceived green service quality and green satisfaction. The results revealed that green hotel attributes negatively influenced green loyalty, however, the path was not significant. Thus, H3 ( $\beta$ = -0.14, p > 0.01) was not supported. The path coefficients from green hotel attributes and perceived green service quality to green satisfaction were significant and in the expected direction, which supported H4 ( $\beta$ =0.18, p < 0.001) and suggested that if the green hotel attributes and perceived green service quality are enhanced, then customers' green satisfaction will also be increased. The path coefficients from green hotel attributes and perceived green service quality to customers' loyalty were not statistically significant and in the expected directions. Hence, H5 ( $\beta$ =-0.08, p < 0.001) was not supported. That is to say, the data showed that customers' loyalty was not affected by the hotel green attributes and their perceived green service quality. The path coefficients from green hotel attributes and green satisfaction quality to customers' loyalty were statistically significant and in the expected directions. Hence, H6 ( $\beta$ =0.67, p < 0.001) was supported. This means that as the perceived level of green hotel attributes increases, so does green customer satisfaction and green loyalty.

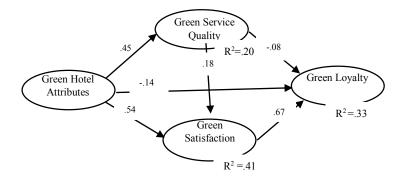


Figure 2: Results of the structural model analysis

#### Conclusion

The current study aimed to investigate customers' perception of green hotel attributes and the possible impact of green hotel attributes on green service quality, green satisfaction and green loyalty. Although prior studies widely discussed green hotels, there has been limited empirical study exploring the concept of green hotel attributes among service outcomes. In order to fill this research gap, this article proposed four novel constructs – green hotel attributes, green service quality, green satisfaction, and green loyalty - and developed a research framework to further discuss their relationships. The five factors, namely energy, water, waste, education and food were found to be the important attributes of a green hotel. The empirical results show that green hotel attributes are positively related to green satisfaction and green service quality. In addition, green satisfaction and green loyalty are positively related. There is also a positive relationship between green hotel attributes and green satisfaction on green loyalty. Four of the six hypotheses proposed were supported in this study. However, the relationship between green hotel attributes and green loyalty was not supported. The results of this study may assist hoteliers to understand, identify and enhance green hotel attributes and also green service quality. Moreover, hotel managers may also recognise that such attributes are important to their customers as they influence green service quality and green customer satisfaction. Therefore, this study suggests that green hotels should invest more resources in enhancing and improving the green hotel attributes and green service quality as they influence green satisfaction, and green loyalty.

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# THE EFFECTS OF PUSH AND PULL TRAVEL MOTIVATION ON TOURIST EXPERIENCE, TOURIST SATISFACTION AND LOYALTY

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# Abstract

Although travel motivations have been extensively researched in the tourism literature, there is a lack of empirical findings on its relationship with tourism experience, satisfaction and loyalty. A quantitative method was used for this study through the use of a questionnaire distributed to 345 tourists. The study identified five push motivators labelled as novelty, escape, prestige, family relations, and socializing, and the following pull factors namely facilities and infrastructure, accessibility and transportation, key tourism resources, local culture and tradition, and exotic atmosphere. The findings are expected to help policy makers and managers to better understand tourists' travel motives and their influence on tourist experiences, satisfaction and loyalty which will assist in designing service products and market-specific destination promotion.

Keywords: Travel motivation, push factor, pull factor, tourist experience, satisfaction, loyalty

#### Introduction

An abundance of studies have focused on travel motivations and satisfaction (Yoon & Uysal, 2005; Alhaj & Omran, 2011; Mohamed & Othman, 2012; Taher, Jamal, Sumarjan & Aminudin, 2015; Caber & Albrayak, 2016; Wong *et al.*, 2017), while a considerable amount of literature has also attempted to measure travel motivations and behavioural intentions (Mohammad & Som, 2010; Kassean & Gassita, 2013; Guan, 2014; Chen & Chen, 2015; Lee *et al.*, 2017), and some attempted to examine the relationship of travel motivations, satisfaction and behavioural intentions (Yoon & Uysal, 2005; Khuong & Ha, 2014; Taher *et al.*, 2015). The literature also shows that there are many classifications and models to represent the different push and pull motives, as such there is no widely accepted theoretical or conceptual framework in understanding travel motivation (Huang, 2010). Tourist experience is one of the key destination competitiveness factors and therefore, important to island destination (Dwyer and Kim, 2003). This study to investigate the relationships between travel motivations, tourist experience, tourist satisfaction and loyalty.

# **Literature Review**

A well-known theory on motivation in the tourism studies is the push and pull framework which represents an effective and comprehensible approach use to examine tourist behaviours in visiting a particular destination (Dann, 1977; Crompton, 1979; Klenosky, 2002; Mohammad & Som, 2010; Prayag & Hosany, 2014; Khuong & Ha, 2014; Wong et al., 2017). The push forces originate from Maslow's (1943), hierarchy of needs (Yoon & Uysal, 2005; Yousefi & Marzuki, 2015), that are related to the desire of tourists in travelling while the pull forces are associated with the qualities of the destination which tend to attract the tourist (Chan & Baum, 2007; Wu et al., 2009). Subsequently, the push and pull forces generally act separately at two different points in time (Kassean & Gassita, 2013; Hani, 2016). In contrast to this perspective, they are also fundamentally related to each other (Dann 1981; Klenosky, 2002; Kim, 2008, Hani, 2016). That is, whatever push forces motivate individuals to make a travel decision, simultaneously pull forces draw them towards a specific destination (Kim et al., 2003; Khuong & Ha, 2014; Chen & Chen, 2015). Therefore, the concept of push and pull factors involves the theory that people travel because they are pushed by their own internal forces that motivate or create an intangible or intrinsic desire to satisfy the need for travel (Kim & Ritchie, 2012), such as novelty, the desire for escape, self-exploratory, nostalgia, rest, relaxations, adventure, excitement, prestige, health and fitness, kinship enhancement and social interaction (Wu et al., 2009; Naidoo & Ramseook-Munhurrun, 2012; Caber & Albrayak, 2016). On the contrary pull factors are recognised as external forces of destination attributes (Yoon & Uysal, 2005; Wu et al., 2009; Guan, 2014), which are both tangible and intangible resources (Caber & Albrayak, 2016), specific to a destination that respond to and reinforce inherent motivations such as beaches, rivers, landscape, biodiversity, climate and weather, recreation facilities, gastronomy, natural attractions, historic attractions, culture attractions, traveller's perceptions and expectations, and marketed image of the destination (You, O'Leary, Morrison & Hong, 2000; Mohammad & Som, 2010; Kassean & Gassita, 2013; Jeong, 2014; Khuong et al., 2014; Seebaluck, Ramseook-Munhurrun, Naidoo & Rughoonauth, 2015).

#### *Tourist Experience*

Tourist experience is used as an overarching concept (Toudert & Bringas-Rabago, 2016), for service providers whose primary goal is to provide high quality experiences to consumers (Mehmetoglu & Engen, 2011; Zhang et al., 2014; Tan, 2016). A decade ago, Pine & Gilmore (1998; 1999), were some of the first writers, after the seminal work of Holbrook & Hirschman (1982), to address the notion of customer experience. Tourist experience is the personal interpretation of consuming the service provided (Shankar et al., 2003; Pullman & Gross, 2004; Mascarenhas et al., 2006; Toudert & Bringas-Rabago, 2016), and their interaction and involvement with it during the activity or flow through a series of touch points (Caru & Cova, 2003), and how those things make customers feel (Shaw & Ivens, 2002; Johnston & Kong, 2011). Businesses should provide meaningful experiences to their customers in order to add value to their offerings (Berry et al., 2002; Zhang et al., 2014; Toudert & Bringas-Rabago, 2016). Hence, in this fast growing experience economy, a consensus has emerged that characterises consumer experience as a multidimensional evaluation (Hosany & Witham, 2009), where different dimensions or factors such as affective memories, sensation and symbolism combine to create a holistic view and long-lasting personal experiences (Hosany & Witham, 2009; Chi, 2012; Toudert & Bringas-Rabago, 2016). A few studies have been conducted on the dimensions of customer experience in the tourism industry and several of them have adopted the conceptual framework of Pine and Gilmore (1998) based on the dimensions of Esthetics, Education, Entertainment and Escapism. The literature has also revealed that tourist's previous experience was likely to influence their satisfaction and future behaviour (Chi, 2012; Frias-Jamilena *et al.*, 2012; Polo-Pena *et al.*, 2013).

# Tourist Satisfaction

Tourist satisfaction is one of the most widely investigated topics in the tourism and hospitality field because of its important role in the survival of any tourism products and services that bring behavioural outcomes (Chen & Tsai, 2007; Naidoo et al., 2011; Choy et al., 2012; Ramseook-Munhurrun, Naidoo, Seebaluck & Pillai, 2016). Many frameworks and theories have been developed to explain tourist satisfaction (Yoon & Uysal, 2005; Mohamed & Othman, 2012; Taher et al., 2015; Caber & Albrayak, 2016; Wong et al., 2017), such as a judgment which is made on the basis of a specific service encounter to appraise the reasonableness between what a consumer actually gets and simultaneously creating an emotion and expectation of the customer (Cronin & Taylor, 1992; You et al., 2000; Yu & Dean, 2001; Caruana, 2002; Yoon & Uysal, 2005; Chen & Tsai, 2007; Wong et al., 2017). Moreover, tourist satisfaction has been of great interest for any organisation because satisfaction links purchase/consumption to post-purchase phenomena (Wong et al., 2017), such as attitude change, repeat purchase, positive word-of-mouth, long-term customer retention and loyalty (Mohamed & Othman, 2012; Ramseook-Munhurrun, Seebaluck & Naidoo, 2015), because dissatisfied customers have very high switching rate (Lin & Wu, 2011). In this situation consumers will not become loval to the organisation (Karatepe, 2006; Jang & Feng, 2007; Kasiri et al., 2017), and are likely to look for alternative products for their next purchase (Neal & Gursoy, 2008; Kasiri et al., 2017).

# Loyalty

Loyalty has received growing interest in the destination marketing and management research due to the intense competition as well as the recognition of the importance of consumer involvement, satisfaction, motivation, service quality (Back, 2005; Bandyopadhyay & Martell, 2007; Han & Back, 2008; Aksoy *et al.*, 2015; Ramseook-

Munhurrun et al., 2015; Almeida-Santana & Moreno-Gil, 2017), but their studies did not include the tourist experience construct. Loyalty is defined as a strong commitment (Aksoy *et al.*, 2015), involving frequent purchasing of similar product or service without fail in the future (Caruana, 2002; Berry & Carbone, 2007; Chi & Qu, 2008; Bowden & Dagger, 2011), even though some situational implications or marketing efforts may arise to cause switching behaviours, but the loyal customer remains neutral (Oliver, 1999; Berry & Carbone, 2007; Chi, 2012; Kasiri *et al.*, 2017). The literature highlights several ways in which loyalty can be measured, such as through an individual's willingness to repurchase a product (Naidoo *et al.*, 2011), willingness to recommend the product to others (Han *et al.*, 2010), willingness to pay more for the product, actual purchase of a higher quantity of the product and making the product the first choice among alternatives (Chen, Yeh & Huan, 2014). Similarly, destinations can be considered as products and customers may revisit, recommend the destination to other potential customers such as friends or relatives (Yoon & Uysal, 2005; Karatepe, 2006; Prayag, 2009; Yuksel *et al.*, 2010), and willing to pay for a higher price (Zhang *et al.*, 2014). The repeat purchases or recommendations to other people are

usually referred to as loyalty in the marketing literature (Yoon & Uysal, 2005; Prayag, 2009; Aksoy *et al.*, 2015; Diab *et al.*, 2016).

#### Methodology

In order to empirically test the proposed hypotheses, a self-administered questionnaire was developed to collect data from international tourists. Respondents had to rate the main constructs of the study, namely, the push and pull factors, customer experience, customer satisfaction and lovalty, using multi-item measures. Based on previous studies, 5 push factors consisting of 18 items (Yoon & Uysal, 2005; Jang & Wu, 2006; Mohammad & Som, 2010; Kassean & Gassita, 2013; Guan, 2014; Lee et al., 2017) and 5 pull factors consisting of 21 items (Kim, Lee & Klenosky, 2003; Jang & Wu, 2006; Jeong, 2014; Chen & Chen, 2015) were used. Customer experience was operationalised using 4 factors consisting of 12 items commonly associated with tourist destinations (Tan, 2016), reflecting the four dimensions of education, entertainment, aesthetic and escapism. Customer satisfaction was captured using 3 items adapted from Yuksel et al. (2010). Customer loyalty was measured using 3 items adapted from Lee et al. (2017). All the items were measured using a five-point Likert scale, where respondents were asked to rate items from 1 = strongly disagree to 5 = strongly agree. Four demographic questions were also included in the questionnaire. The target population was international tourists visiting Mauritius during the survey. The questionnaire was developed in two languages: English and French. A purposive sampling procedure was used to identify potential respondents. If subjects were not willing to participate in the study, the next available subject was intercepted. Data were collected from tourists around the airport and in public places. In total, 450 respondents were approached to take part in the survey and 345 valid questionnaires were obtained, resulting in 76.7% response rate.

A conceptual framework was developed to investigate the relationships between Push and Pull motivational factors, customer experience, customer satisfaction and customer loyalty as depicted in Figure 1. Conceptually, it can be argued that motivational factors may directly affect tourist experience, tourist satisfaction, and also directly or indirectly affect tourist loyalty through tourist experience and tourist satisfaction as mediating variables. In particular, this study aims to determine the influence of Push and Pull motivational factors on tourist experience, tourist satisfaction and context by using Mauritius as the case study. This study proposed the following hypotheses:

- H1: Motivational factors are positively related to tourist experience
- H2: Motivational factors are positively related to customer satisfaction
- H3: Motivational factors are positively related to customer loyalty
- H4: Motivational factors and tourist experience are positively and significantly related to customer satisfaction.
- H5: Motivational factors and tourist experience are positively related to customer loyalty.
- H6: Motivational factors and customer satisfaction are positively related to customer loyalty.

SPSS 20 and AMOS 21.0 were used to analyze the data. Following Anderson and Gerbing's (1988) two-step approach, a measurement model was first estimated using confirmatory factor analysis. The high factor loadings, composite reliability, and average variances extracted (AVE) for each construct were used to confirm the reliability, convergent validity, and discriminant validity of the instrument. Then the structural equation modelling was employed to test the hypotheses.

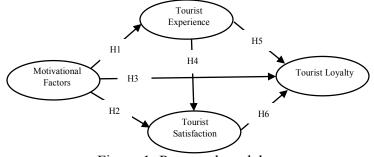


Figure 1: Proposed model

# Results

The sample was almost equally split between males (49.6%) and females (50.4%). Most of the respondents (42%) were above 59 and the second age group (21.7%) was 49-58 years old. In terms of number of visits, 47% visited Mauritius only once and 31.3% visited the island twice. The majority of the respondents stayed for 5-10 days (46.7%), followed by less than 5 days (23.8%).

# Factor analyses of the push and pull factor scales

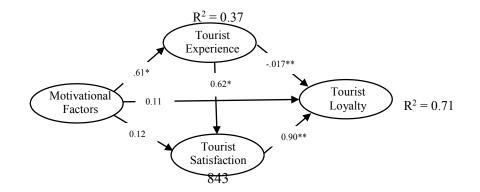
The exploratory factor analysis (EFA) was performed to derive the Push and Pull motivation and tourist experience factor structure with a varimax rotation. EFA results revealed the existence of a multi-factor structure for the 3 constructs. In both motivation cases, the result was a 5-factor structure with eigenvalues greater than 1. The 5 Push factors consisting of 15 items explained 64.35% of the total variance and were labelled: 'novelty', 'family relations', 'escape', 'prestige', and 'socializing'. The 5 Pull factors consisting of 19 items accounted for 57.6% of the total variance and were termed: 'facilities and infrastructure', 'accessibility and transportation', 'key tourist resources', 'local culture and tradition', and 'exotic atmosphere'. Three items from Push and two items from Pull factors were eliminated as the factor loadings were below 0.4. The factor loadings for the remaining 34 items ranged from 0.60 to 0.89. The Cronbach's alphas for all the 10 factors were greater than 0.60. Tourist experience consisted of a 4-factor structure, explained 52.55% of the total variance and labelled: 'escapism', 'education', 'entertainment' and 'esthetics' and the reliability coefficient was 0.78. The customer satisfaction and customer loyalty both offered strong reliability with a Cronbach's alpha above 0.7.

# Measurement Model Analysis

Confirmatory factor analysis (CFA) was further performed to confirm the structures of the five constructs of this study. The initial model displayed poor fit and modification indices suggested a more parsimonious model could be obtained by deleting two statements from the Push factor (one from escape and one from prestige). After modification, all factor loadings were greater than 0.55 and significant (p<0.001) and the CFA results present an acceptable fit ( $\chi^2 = 122.84$ ; df = 48; p = 0.001; RMSEA = 0.067; CFI = 0.963; GFI = 0.959; AGFI = 0.918). The composite reliabilities (CR) estimate for each construct was above the recommended threshold of 0.70 (ranging from .85 to 0.91), indicating the measures are reliable (Fornell and Larcker 1981). Average variance extracted (AVE) for each construct was above 0.50, establishing the scales convergent validity (Fornell and Larcker 1981). Discriminant validity was examined by comparing the square root of AVE for each construct with the correlations between pairs of latent variables. Comparing all correlation coefficients with square roots of AVEs, the results suggest strong evidence of discriminant validity.

#### Structural Equation Modeling (SEM)

Next, the structural equation modeling (SEM) was employed to test the relationships among the proposed constructs: push and pull motivational factors, tourist experience, tourist satisfaction and tourist loyalty. According to Hu and Bentler (1999), the proposed structural model has an acceptable fit ( $\chi^2/df = 2.56$ , GFI = 0.912, RMSEA = 0.067, NFI = 0.941, CFI = 0.963). The results indicated that the path coefficient from motivational factor to tourist experience was statistically significant and in the expected direction ( $\beta$ =0.61, p < 0.001), H1 is supported. Therefore, the push and pull motivational factors have a positive influence on tourists' perceived experience at the destination. Interestingly, satisfaction was positively influenced by the motivational factors, but was not statistically significant ( $\beta$ =0.12, p > 0.01), therefore H2 was not supported. Tourist loyalty is affected by the motivation factors, indicated by the standardized coefficient score of 0.11, however, the proposed path relationship was not supported by the data, p > 0.01, thus H3 was not supported. The path coefficient from tourist experience to tourist satisfaction was significant and in the expected direction ( $\beta$ =0.62, p < 0.001), H4 is supported and suggested that if the tourist experience is enhanced, then tourist satisfaction will also be increased. However, tourist lovalty was found to be negatively influenced by to tourist experience ( $\beta$ =-017, p < 0.05). It can be assumed that if the travel experiences were not highly perceived by the tourists, they may not be willing to revisit the destination and recommend it to other people. Thus, H5 was partially supported. The results offered support for the relationship between tourist satisfaction and tourist loyalty. Consequently, tourist loyalty is positively affected by tourist satisfaction with their experiences at the destination, H6 is supported ( $\beta$ =0.90, p < 0.05). This suggests that tourist satisfaction remains an important and powerful determinant of tourist loyalty.



 $R^2 = 0.39$ 

\*p < 0.001; \*\*p < 0.05

Figure 2: Results of the structural model analysis

#### Conclusion

The present study is one of few works that attempted to investigate push and pull motivations on tourist experience, satisfaction and loyalty. The findings provide us a better understanding on the relationships between motivational factors, tourist experience, tourist satisfaction and loyalty in the context of an island. However, the findings also revealed that the push and pull motivational factors did not have direct effects on tourist satisfaction and tourist lovalty. In particular, the coefficient value of tourist satisfaction was higher than those of the motivational factors and tourist experience. This suggests that tourist satisfaction is a more powerful variable contributing to tourist lovalty than motivations and tourist experience. This finding helps to justify that tourist loyalty may not occur because of travel motivational factors and tourist experience dimensions alone, but may occur through a combination of travel motivation, tourist experience and tourist satisfaction. In addition to having a good travel experience at the destination, a high level of tourist satisfaction should be targeted to foster tourist revisit intentions. Tourists with positive travel experience and high levels of satisfaction with the destination attributes are more likely to revisit the destination. The current finding may imply that the push and pull motivation factors and tourist experience of the destination alone may not be adequate for the formation of loyalty but overall level of tourist satisfaction with the destination attributes is an important antecedent of loyalty. This study thus provides empirical evidence supporting this statement, in that there is a highly significant relationship between the two constructs in an island destination. In other words, satisfaction is found to directly affect destination loyalty in a positive direction. The findings of this study may help island destination managers in planning appropriate tourism strategies to retain loyal tourists and improving the quality of the travel motivations and experiences and consequently, increase competitiveness.

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