



ISTTE

International Society of Travel and Tourism Educators

NEW FRONTIERS IN TOURISM RESEARCH

**Annual Conference Proceedings of
Research and Academic Papers
Volume XVII**

**Chicago, IL, USA
20-22 October 2005**

**Karin Weber
Editor**

ARCHITECTING THE FUTURE OF TOURISM EDUCATION



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ISSN: 1091-9120

Preface

Since its inception, the International Society of Travel and Tourism Educators (ISTTE) has gone from strength to strength. It has grown significantly in size, outlook, recognition and influence. This growth is in part also reflected in the continued increase in popularity of its Annual conference as a research outlet of choice for many researchers from around the world.

Following the great success of its first conference outside North America in Hong Kong in 2004, the 2005 Annual Conference attracted a record 81 submissions from 14 countries across the four major paper submission categories – refereed full papers, full papers based on refereed extended abstract, working papers and poster papers based on refereed abstracts. A total of 57 research and academic papers were received. After a double blind review process, 22 of these submissions were accepted. This represents an acceptance rate of approximately 38% for research and academic papers. Of those 22 accepted papers, 21 appear in this *Proceedings* and the conference program. Nine working papers and fourteen refereed poster papers were invited for presentation at the conference; of those, six working papers and twelve poster papers have been included in the conference program and in the *Proceedings*.

The theme of the 2005 Annual ISTTE conference is: “Architecting the Future of Tourism Education,” and it is prominently reflected in the research papers presented in this proceedings. In particular, papers focusing on tourism education considered learning issues for students, preparation of students for the workplace, curriculum development and assessment, as well as the impact of education on ethics. The *Proceedings* also includes paper submissions that examine various markets and market segments, consumer behaviour and travel experience, destination marketing and hotel development.

The compilation of the Proceedings has greatly benefited from the generous support given by many individuals and I would like to take this opportunity to express my gratitude to them. First, I would like to thank the paper and poster presenters who submitted their research to this conference at a time when there are numerous tourism and hospitality conferences to choose from in a single year. Second, I’m grateful to the paper reviewers who generously contributed their time to provide constructive comments that assisted authors in revising their papers and me in the final selection of conference presentations. Third, I’m very appreciative of the assistance and support of Sharon Scott, President of ISTTE and members of the ISTTE Board of Directors. Finally, I’d like to acknowledge my home institution, the School of Hotel & Tourism Management at the Hong Kong Polytechnic University, for the encouragement and support provided to serve the Society.

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- A - Refereed full paper
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Section I

Refereed Research and Academic Papers

THE ETHICAL ORIENTATION AND AWARENESS OF TOURISM STUDENTS: A CROSS-CULTURAL STUDY

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ABSTRACT

Despite an increasingly sophisticated literature, the relative recency of the tourism industry and its study has meant little attention has been paid to the ethical dilemmas facing tourism managers and its students. Based on interviews with senior members of the tourism industry six ethical scenarios were developed with pertinence to the challenges faced by industry practitioners today. The study then applied the Multidimensional Ethics Scale to tourism students at three prominent universities in the UK, Canada and Australia, in order to understand their ethical awareness and orientation related to these scenarios. Results showed some significant cross-cultural differences, and all students were more sensitive to environmental scenarios than social or economic scenarios. Female students were more sensitive to environmental scenarios than males. Interestingly, prior ethical training had no influence on ethical decision-making.

KEYWORDS: Tourism, Ethics, Students, Multi-Dimensional Ethics Scale

INTRODUCTION

Much research has been conducted on the ethical awareness and orientation displayed by students studying a range of subject disciplines. Such research has enabled discussion on the necessary future levels of ethical training (Singh, 1989), the way such training should be delivered (Woods and Berger, 1989), the implications for organizational recruitment and selection (Stevens, 2001), the importance of organizational socialization, and the value of tools, such as codes of ethics, as a way to ensure consistent standards of professionalism (Cleek and Leonard, 1998). However, while some studies have examined the ethical orientation of hospitality students (Pizam and Lewis, 1979; Whitney, 1989; Freedman and Bartholomew, 1990; Stevens, 2001), no research has been conducted to date on either the ethical perspectives, or the decision-making approaches of tourism students.

The objective of this paper is to address this shortcoming, by applying the Multidimensional Ethics Scale to a sample of tourism students in three different countries. As part of one of the world's truly global industries, with a diversity of cultures, and moral and ethical values, future tourism practitioners face the challenge of global ethics (Okleshen and Hoyt, 1996). This study therefore aims to examine the ethical awareness and orientation of tourism students in three major educational institutions in the UK, Canada and Australia.

ETHICS AND TOURISM

In addition to the often-cited economic indicators displaying the dominance of the tourism industry, there has been a commensurate and almost equally well-publicized rise and recognition of the potentially negative impacts of the burgeoning tourism industry. This has led to calls for the industry to exercise greater responsibility and “professionalism” (Sheldon, 1989) in order to protect the “golden goose” (Manning and Dougherty, 1995) and mirrors the arguments for greater corporate and social responsibility (Miller, 2001). However, because of the predominance of small and medium sized enterprises and its image as a ‘smokeless industry’, the tourism industry is well behind other industries in terms of its corporate responsibility (Roddick, 2004), and the absence of ethical leadership in the tourism industry has been “astounding” (Mowforth and Munt, 2003: 168).

However, in the last few decades, responsible tourism has emerged as a significant trend in the western world, as wider consumer market trends towards lifestyle marketing and ethical consumption have spread to tourism (Goodwin and Francis, 2003). Tourism organizations are beginning to realize that promoting their ethical stance can be good business as it potentially enhances a company’s profits, management effectiveness, public image and employee relations (Hudson and Miller, 2005). Yet, although more attention is now being paid to ethics in tourism (Holden, 2003) there is a very weak foundation of research into the study of tourism ethics to date (Fennell, 1999).

Ethical Decision-Making

The two approaches to ethical decision-making that have received most attention in the literature are those reliant on the theories of deontology and teleology (McDonald and Beck-Dudley, 1994). A **deontological** approach enjoys a rich historical legacy, dating back to philosophers such as Socrates, and more recently to the work of Kant. Deontology is concerned with the idea of universal truths and principles, which should be adhered to regardless of the circumstances. Kant’s categorical imperative states that a person faced with a problem should be able to respond consistently and in conformity with their moral principles and also feel comfortable with the decision being made in full view of others. A **teleological** view can be understood as ‘consequentialism’ following from the philosophical work of Jeremy Bentham and John Stuart Mill on utilitarianism. Thus, ethical decisions are made in view of expected outcomes, which eliminate the universality of decisions and subordinates principles to context.

A common expression for the two approaches would be that deontology places the means as more important than the end, while for teleology it is the end that justifies the means. Understanding these theories helps to successfully employ the various “tools” that exist to control the tourism industry, ranging from market-based instruments such as taxes through to more command and control instruments such as legislation. For a deontologist, breaking the law would contravene their view of ethics and so the legislation would be abided by almost regardless of the value of the legislation. Yet, a teleologist would consider the consequences of not abiding by the law and would weigh this against the benefits of breaking the law. If tourism students seem to adopt a teleological approach to ethical dilemmas, then legislation can only expect to be effective if accompanied by stringent penalties that make the outlawed behavior not worthwhile. Hence, there is a need to understand how decisions are made.

Malloy and Fennell (1998), Cleek and Leonard (1998) and Stevens (2001) all point to the increasing prevalence of codes of ethics employed by the tourism industry as a tool to provide guidance to employees when making decisions. The World Tourism Organization made an important contribution in this area when it approved the Global Code of Ethics for Tourism 1999 that consolidated and reinforced previous recommendations and declarations on sustainable tourism. The Code aims to preserve the world's natural resources and cultural heritage from disruptive tourist activities and to ensure a fair and equitable sharing of benefits that arise out of tourism with the residents of tourism destinations. Yet the code is not supported by an understanding of how industry practitioners make their decisions. Indeed, the lack of awareness within the industry of the code would indicate the code is not a particularly effective tool.

Influences On Ethical Decision Making

Previous theory suggests that there are a number of influences on ethical decision-making of students, including nationality, the type of ethical dilemma, prior ethical education, and gender. Prior research in cross-cultural or cross-national ethical values of students has been quite contradictory. For example, Lysonski and Gaidis (1991) found that business students' ethical orientations were similar in the USA, Denmark and New Zealand. However, Okleshen and Hoyt (1996) found that US students were less tolerant than New Zealand students of situations involving the ethical constructs of fraud, coercion and self-interest. Whipple and Swords (1992) suggest that the field of business ethics has not attracted the degree of academic interest in the UK as it has in the US, and that more business ethics courses are needed in Britain to counter the difference in ethical judgments found.

Ethical decision-making is also likely to be influenced by the type of ethical dilemma faced. Jones (1991) showed ethical issues can be classified according to their intensity, with respondents more likely to respond according to ethical principles if the issue is deemed as important. In western societies over the last few decades, an increased recognition that the world's resources are limited, has led to the strengthening of an environmental ethic, whereby the natural environment is recognized to have an intrinsic value which outweighs its value as a leisure asset (Holden, 2003). Yet, despite understanding the concept of the "triple bottom line", attention to the negative economic and socio-cultural impacts of tourism is less evident (Jamal, 2004). Indeed, a recent review of tourism journals shows a heavy bias in favor of papers that focus on the environmental issues arising from the industry (Hughes, 2005), reflecting the acknowledged predisposition NGOs have previously held towards the environment (Scheyvens, 2002). Through exposure to these debates students are potentially more likely to be sensitive to environmental issues.

The level of ethical education is likely to have an influence on ethical decision-making (Whitney, 1989). The last decade has seen an increase in the demands for ethical training amongst tourism students (Jamal, 2004), but there is little evidence that students are receiving ethical education (Cohen, et al. 2001; Whitney, 1989). Singh's (1989) survey of Canadian management schools shows that nearly half of all those universities surveyed did not offer a formal course in business ethics to their students. Enghagen (1991) found a higher proportion of courses were offered in the US for hospitality education, although the majority of ethics courses offered were electives. Studies which have attempted to measure the impact of teaching ethics to students have shown improvements, though short-lived, in the ethical values and reasoning skills

of students (Fulmer and Cargile, 1987; Weber, 1990). Harris (1991) found that business majors profess a teleological (Egoist and Utilitarian) approach, whereas non-business majors prefer a deontological (Golden Rule and Kant's Imperative) approach. Okleshen and Hoyt (1996) concluded from their study that educational experience in an ethics course produces homogeneity and is beneficial towards obtaining cross-cultural understanding and congruence in ethical values.

Finally, studies of ethics and gender have found females to be less tolerant than males of situations involving ethical dilemmas. For example, Whipple and Wolf (1991) found that female students are more critical than their male classmates of questionable business practices. Others (Gilligan, 1982; Freedman and Bartholomew, 1990) have found female students to have higher moral values than male ones. Galbraith and Stephenson (1993) demonstrated that female business students prefer a Utilitarian decision rule while male business students prefer an Egoist approach to evaluating ethical dilemmas.

METHODOLOGY

Using case studies or ethical scenarios has been advocated as the most useful way of examining ethical issues and teaching ethical concepts (Stevens, 2001; Vallen and Casado, 2000; 1996; Okleshen and Hoyt, 1996). Therefore, five face-to-face interviews were conducted with human resource directors of the major tour operators in the UK in order to develop ethical scenarios that could later be used to test students' ethical positioning and decision-making processes. These large tour operators provide direction to the industry and their stance on ethical problems can be seen as contributing heavily to the context in which decisions made by the rest of the industry are judged. Developing original scenarios was deemed as important in order to avoid 'off-the-shelf' solutions to ethical problems that are widely available. Six scenarios were developed based on these interviews (see Appendix 'A') and reflected the three principal areas of concern within the tourism industry. Hence, in order to test the effect of the scenario on the ethical orientation and awareness, following Fennel and Malloy (1999), scenarios 1 and 5 were based on social dilemmas, scenarios 2 and 4 were based on environmental dilemmas, and 3 and 6 were economic in orientation.

The Multidimensional Ethics Scale (MES) (Reidenbach and Robin, 1988) was used to measure the ethical orientation and awareness of the students evaluating these scenarios. The MES has been developed for usage in business contexts and permits insights into the cognitive ethical reasoning process, offering the advantage that specific modes of moral reasoning can be identified. The measures of ethical awareness capture the extent to which respondents feel that a particular action is unethical according to the ethical theories of justice (the equitable distribution of reward and punishment), relativism (there are no universal standards of moral value only cultural norms), and deontology and utilitarianism as explained earlier. These theories have been identified in previous reviews of the moral philosophy literature, and although the scale has its critics (Hyman, 1996), it was chosen for use in this study because it has been used successfully in many empirical studies, and in particular for its use in the only comparable study conducted to date, examining ethical decision making amongst tour operators (Fennell and Malloy, 1999).

The MES scale used in this study (see Appendix ‘A’) is a semantic differential scale consisting of 10 items representing the four dimensions of ethical behavior referred to above: justice (the idea of fairness to all), deontology (the extent to which an action is consistent with an individual’s duties or unwritten obligations), utilitarianism (the extent to which an action leads to the greatest good for the greatest number of people), and relativism (the extent to which an action is considered acceptable in a culture). Respondents were given the six ethical scenarios, and asked to respond in terms of the ten-item scale. The polarity of scales was randomized to minimize response effect bias.

The MES scale also contains items that measure ethical intention and overall orientation. Ethical intention was measured using two items. One was in the first person (“I would/would not undertake the same action”), and the other, to mitigate social desirability bias, in the third person (“my peers would/would not undertake the same action”). One final item on the scale measured the overall level of ethical orientation (“the action is ethical/unethical”) capturing the weight respondents placed on each of the criteria in their evaluation of the overall morality of an action. In addition to the MES scale, students were asked to indicate their gender, and whether or not they had ever taken a module in ethics.

The questionnaires were distributed to tourism students in Canada, Australia and the UK in undergraduate tourism programs at three different institutions. Samples were drawn from the student population since they were the focus of this study, and they also meet the requirements of matched samples. The matched samples technique is a method advocated by cross-cultural research methodologists where the samples of cultural groups to be compared are made as similar as possible in their demographic characteristics. The distribution was achieved via a contact faculty person at each university who passed them out in class.

RESULTS

Of the 438 responses, 187 were from the UK, 135 from Australia and 116 from Canada (see Table 1). The gender split was 72% females and 28% male, typical for students of tourism. Of the total sample, 23% had received some form of ethical training in the past (defined as having taken a module in ethics), higher than found in previous studies of students (Okleshen and Hoyt, 1996). Canadian students were more likely to have taken an ethics course (41%) than Australians (24%) or students from the UK (12%). A test of the reliability of the questions in each ethical scenario confirmed the dimension structure referred to above. Cronbach alpha scores for each of the four dimensions across the six scenarios met or exceeded the score of 0.70 recommended by Nunnally (1967) and Robinson et al. (1991).

Table 1
Description of respondents

	Canada	U.K.	Australia	Overall
Number of Respondents	n=116	n=187	n=135	n=438
Gender	M: n=35 30%) F: n=81 (70%)	M: n=47 (25%) F: n=140 75%)	M: n=42 31%) F: n=93 (69%)	M: n=124 28%) F: n=314 (72%)
Number with ethical training	n=47 41%	n=23 12%	n=32 24%	n=102 23%

With '1' representing the positive form of the scale item (e.g., fair) and '7' the negative form of the item (e.g., unfair), mean scores were calculated for each dilemma by ethical dimension and country (see Table 2). The mean scores show that for Justice, Relativism and Utilitarianism all students deemed the actions taken in the environmental scenarios to be more unethical than for the economic or social scenarios. However, the construct Deontology follows a different pattern with the social scenarios being scored most negatively. These results suggest that an ethical decision-making approach will be influenced by the type of ethical dilemma faced, and is evidence of a stronger, more principled environmental ethic amongst the students (Holden, 2003).

Table 2
Mean Scores for each Dilemma by Ethical Dimension and Country

Scenario	Justice			Relativism			Deontology			Utilitarianism		
	CAN	UK	AUS	CAN	UK	AUS	CAN	UK	AUS	CAN	UK	AUS
Economic	4.92	4.70	4.85	4.35	4.32	4.61	3.02	3.44	3.15	4.75	4.27	4.63
Social	3.64	3.91	3.79	3.95	4.27	4.25	3.95	3.71	3.85	3.87	3.92	3.99
Environment	5.73	5.50	5.45	4.67	4.76	5.02	3.42	3.39	3.38	5.47	5.38	5.41

A two-way repeated measure ANOVA (3 x 3) was employed with country of study of respondent (3 groups) as a between-subject factor and scenarios (3) as a within-subject factor, on the 10-item scale. The results of this test (see Table 3) confirmed that there was a significant country by scenario interaction for Justice [$F(4, 866) = 3.911, p=.004$], Deontology [$F(4, 866) = 4.525, p=.001$] and for Utilitarianism [$F(4, 866) = 3.463, p=.008$], which indicates that scenario effects vary with the country or visa versa. These results are an initial indication that ethical decision-making approaches will vary across countries. However, there was no significant country by scenario interaction for Relativism [$F(4, 866) = 1.715, p=.144$].

Table 3
Two-way repeated ANOVA for Country by Scenario Theory

Ethical theory	Country by scenario interaction effect		Scenario effect		Country effect	
	F(4,866)	p-value	F(2,866)	p-value	F(2,433)	p-value
Justice	3.911	.004*	384.732	<.001*	.428	.652
Deontology	4.525	.001*	43.642	<.001*	.292	.747
Utilitarianism	3.463	.008*	261.276	<.001*	3.760	.024*
Relativism	1.715	.144	51.193	<.001*	6.939	.001*

*significance at 0.05 level

For these significant interactions, further investigation involved the testing of simple effects (see Tables 4 and 5). Results indicated that for the Deontology and Utilitarianism dimensions there was a significant scenario effect for Canada, Australia and UK, and for both dimensions there was a significant country effect for the Economic scenarios ($[(F(2, 434) = 6.97, p=.001; [(F(2, 433) = 9.74, p<.001)]$). Post hoc analysis (SNK) showed that UK students are significantly more likely to perceive that the ethical decision taken violated an unspoken promise or an unwritten contract, and significantly more likely to perceive that the decision taken

produced the greatest benefit to all. This suggests they are more teleological in their decision-making than students from Canada and Australia.

Table 4
Simple Effects Testing
Scenario Effect on each Ethical Dimension by Country

Scenario	Justice		Deontology		Utilitarianism	
	F (2,866)	p-value	F (2,868)	p-value	F (2,866)	p-value
Canada	146.03	<.001*	24.99	<.001*	81.74	<.001*
Australia	109.74	<.001*	17.03	<.001*	75.69	<.001*
UK	135.34	<.001*	5.32	<.001*	120.38	<.001*

*significance at 0.05 level

Table 5
Simple Effects Testing
Country Effect on each Ethical Dimension by Scenario

Scenario	Justice		Deontology		Utilitarianism	
	F(2,433)	p-value	F(2,434)	p-value	F (2,433)	p-value
Economic	1.99	.138	6.97	.001*	9.74	.001*
Social	2.67	.071	1.97	.141	0.52	.595
Environmental	2.92	.055	0.03	.975	0.28	.758

*significance at 0.05 level

A two-way repeated measure ANOVA (2 x 3) was also employed with gender of respondent (2 groups) as a between-subject factor and scenarios (3) as a within-subject factor, on the 10-item scale. The results of this test showed no significant gender by scenario interaction for Justice, Deontology, Utilitarianism or Relativism. A similar test using ethical training as a between-subject factor again showed no significant ethical training by scenario interaction for the four dimensions.

The last two items of the MES scale measure ethical intention and overall orientation. Adjusted mean scores were calculated for these measures, and the results are presented in Table 6. Once again there was a significant difference in the responses between countries, controlling for gender and ethical training, especially for the Economic and Social scenarios. For the Economic scenarios, there was a significant difference in ethical intention. Students from the UK indicated that they and their peers were more likely (than the other two student groups) to undertake the same action. For the Social scenarios, Canadian students were significantly more likely to indicate that their peers would take the same action and significantly more likely to say that the action taken was ethical. Australian students were least satisfied ethically with the action taken. For the Environmental scenarios, there was a significant difference in ethical intention between genders. Subsequent analysis revealed that females and their peers were significantly less likely (than males) to undertake the same action. Although previous analysis showed no significant gender by scenario interaction for the four ethical dimensions, this does confirm to some extent that female students are more sensitive to ethical issues than their male counterparts.

Whether or not respondents had previously taken a module in ethics had no effect on ethical intention or overall ethical orientation. Ethical decision-making (in this study) is therefore not influenced by the level of prior ethics education.

Table 6
Adjusted Mean Scores for Ethical Orientation and Intention by Country, with Gender and Ethical Training as Covariates (on a scale of 1-7)

	Canada n=116	UK n=18 7	Aus n=135	Country effect	Gender	Ethical Training
Economic Scenarios						
I would undertake the same action	5.06	4.62	5.18	p<.001*	.126	.403
My peers would take the same action	4.53	4.44	4.81	.028*	.341	.578
The action is ethical	5.11	4.92	5.21	.062	.713	.492
Social Scenarios						
I would undertake the same action	3.63	3.90	4.04	.070	.452	.978
My peers would take the same action	3.32	3.87	3.88	p<.001*	.517	.500
The action is ethical	3.78	4.47	4.23	p<.001*	.939	.333
Environmental Scenarios						
I would undertake the same action	5.89	5.59	5.75	.088	.002*	.802
My peers would take the same action	4.99	5.04	5.25	.217	.009*	.398
The action is ethical	5.96	5.77	5.82	.350	.603	.404

*significance at 0.05 level

DISCUSSION

The results show that significant differences in ethical decision-making were limited to the Deontology and Utilitarianism subscales in the Economic scenarios only. For the Economic scenarios, UK students were more likely to perceive that the ethical decision made violated an unspoken promise, and more likely to consider if the decision produced the greatest benefit to all, and hence were more teleological in their ethical decision-making. For the economic scenarios, UK students were also more likely to indicate that the decision made was an ethical one.

It has been suggested that a teleological approach might have more application in the tourism industry because managers can be taught to compare outcomes to the various stakeholders for each possible decision and select the decision that has the best outcomes (Khan and McCleary, 1996; Carroll, 1989). Previous research supports such a teleological approach for analyzing ethical dilemmas (Jazray, 2002) and there is potential in the tourism industry for a teleological approach to ethics to be used as a means by which to educate and learn through an understanding of the consequences of one's actions (Malloy and Fennell, 1998). The danger with this approach is that once an (often) economic benefit disappears to protect or preserve, then so does the basis on which the preservation is justified. A deontological underpinning, although less fashionable provides more protection against the vicissitudes of the market. However, a teleological approach would sit comfortably with ethical instruction being interwoven with other

subjects of study and avoid ethics being taught as a separate subject, which could prevent students from thinking in a holistic manner.

The results also show that there was no significant country by scenario interaction for Relativism. This supports the work by Cohen et al. (2001) who found that relativism had little effect on ethical decision-making. This has potentially an interesting consequence for the use of examples as a way to instruct students, but also to illustrate future directions for industry. If students show that they are guided by what is fair or unfair, right or wrong, has utility or not, but are not particularly guided by the position of others, then demonstrating what others have done in a similar scenario is not appealing to a form of decision-making that students employ. As such, case studies may be useful to demonstrate the range of actions possible, or to encourage students to consider what alternatives are available, but this survey would suggest that students are not likely to be guided by examples of what others have done. This finding may be contained to this particular study and it might be that with a sample of people working in the industry a more relativistic approach is valuable. However, further research could seek to ascertain the usefulness of best practice type examples in providing ethical instruction to students.

The fact that prior ethical education had no effect on the students' responses in any of the analyses contradicts previous findings (Okleshen and Hoyt, 1996). Although 41% of Canadian students had taken an ethics module (compared to 24% in Australia and 12% in the UK), it does not appear that they are any more sensitive to ethical issues. It may be a concern to British tourism educators that only 12% of students had taken an ethics course. Previous studies have found UK firms to be lagging behind their US counterparts in response to ethical concerns (Schlegelmilch, 1989), and there have been calls for more business ethics courses at British Universities (Whipple and Swords, 1992). However, it should be acknowledged that even though the majority of students in this study indicated that they had not taken an ethics module during the course of their studies, it does not mean they have not received any ethical training. Indeed, the ethical training students have received may have been embedded within the study of other subjects and so not discerned as separate ethical training. This demonstrates the difficulty of identifying the effect of ethical training and certainly needs further investigation.

Similar to many prior studies referred to earlier in the paper, the results indicated that female students are more sensitive to ethical issues than males in terms of their ethical intention – particularly for environmental issues. These findings suggest that as more and more women complete their education and enter the business world, ethical decision-making in organizations may change (Whipple and Swords, 1992). Also, educators who are developing and teaching business ethics and social responsibility courses should pay attention to gender differentiated development needs. Respondents as a whole (and not just female students) were least satisfied with the decision taken with the environmental scenarios. This supports the contention made previously that students are more exposed to ethical scenarios related to the environment (Hughes, 2005). There is a need therefore, for the tourism curriculum to integrate more social and economic ethical dilemmas.

In terms of informing decisions on the use of tools to direct the tourism industry, the dismissal of Relativism would suggest that tools that rely on pressure to conform to what other members of the industry are doing would be ineffective. Malloy and Fennell (1998), Cleek and Leonard (1998) and Stevens (2001) all point to the increasing prevalence of codes of ethics employed by organizations as a way of promoting more ethically consistent decisions by their employees. While Malloy and Fennell (1998) declare the majority of codes to be deontological in their language, no previous study has sought to assess ethically how decisions are made by those that are subject to the codes. Hence, voluntary efforts such as 'compacts' or attempts to 'name and shame' may not be useful. The evident use made of Deontology, Justice and Utilitarianism demonstrates that codes of ethics may be valuable, but more research is needed to interrogate these relationships further. Further research showing whether tourism managers applied a more teleological approach to decisions would reveal deontological codes of ethics to be little more than an exercise in promoting external goodwill, while the opposite finding strengthens the case for codes of ethics.

Although there were significant differences across the three institutions, there were many commonalities in ethical decision-making in this study. This may reflect the similar cultures and the common educational systems of the three countries chosen, but it bodes well for the application of a consistent approach to tourism management throughout the world, as well as the introduction of common tools and educational approaches. A natural sequitur of research into the level of ethics displayed by students is the ethical orientations of those in organizations. Research into the ethical approaches and positions of tourism managers and employees would assist in ensuring more appropriate, or at least better prepared, students join tourism organizations. As such, the ethical scenarios developed through interviews with senior members of the industry make a strong contribution to future research and aid in teaching in this area.

CONCLUSION

The tourism literature makes a continual call for more decisions that acknowledge the full impacts of the industry and yet little research has been conducted that attempts to establish the ethical framework managers of the future will employ to approach these decisions. This research has drawn on the work of other subject disciplines and applied an established research methodology to tourism students in three different countries. Such research has enabled more informed discussions about what is required from ethical instruction in the future. It should be noted that the intention of this research was not to determine what is ethical or unethical. Rather, it was to assess how the characteristics of issues influence ethical beliefs, how individuals think and devise what is ethical and unethical and how different variables influence ethical perceptions. Once greater knowledge exists about how students and businesses are making decisions, then discussions of which tools are appropriate to enable or constrain those decisions become more apposite.

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Appendix 'A': MES and Ethical Scenarios

Scenario Number 1

A major tour operator doesn't charge disabled customers extra money to travel despite the fact that the tour operator itself is being charged more by the airline and the hotels for the difficulty of transporting wheelchairs and the extra care and time necessary with disabled customers. This policy results in the tour operator being increasingly popular with disabled customers, but this is costing the tour operator money.

Action:

The tour operator decides to offer the same policy as all the other major tour operators and pass on the charges levied by the airlines and hotels, and so reduce the number of its disabled customers.

Your response to the action is that it is...

Fair									Unfair
Just									Unjust
Morally right									Not morally right
Acceptable to my family									Not acceptable to my family
Traditionally acceptable									Not traditionally acceptable
Culturally acceptable									Not culturally acceptable
Produces the greatest benefit to all									Produces the least benefit to all
Maximizes benefits while minimizes harm									Minimizes benefits while maximizes harm
Does not violate an unspoken promise									Violates an unspoken promise
Does not violate an unwritten contract									Violates an unwritten contract
I would undertake the same action									I would not undertake the same action
My peers would undertake the same action									My peers would not undertake the same action
The action is ethical									The action is unethical

Scenario Number 2

A major international tourism developer has plans to build a significant development in an undeveloped area of a lesser-developed country. The resort will bring much needed employment, investment and, it is argued, a reason for the young of the town not to migrate to the big cities. The centerpiece of the new resort is planned to be a 72-hole golf course. The local residents are worried that to provide enough water for the golf course and electricity for the resort will mean local supplies are negatively affected. Fishermen are worried that the run off from the pesticides used on the golf course will have severe effects on the health of their fish stocks.

Action:

The development goes ahead as planned and does negatively affect the local electricity and water supplies while harming fish stocks.

Scenario Number 3

The downturn in the tourism industry as a result of the increase in global terrorism has meant a large tour operator has to make redundancies for the first time in its history. There are several members of staff with very high records of absenteeism due to personal illness and thus very low levels of productivity. Some of these members of staff have been with the tour operator for a very long time, and two have been with the company since it first began in business over 25 years ago. Prior to the recent terrorism the company was expanding and had just recruited 20 university graduates who are currently spending 6 months shadowing managers in the different areas of the business before they settle into their permanent positions. The company realizes that to make the new recruits redundant will be much cheaper than to make the long time employees redundant even though the company expects the new graduates will be more productive in the long term.

Action:

The Company makes 20 new graduates redundant and blames the economic downturn caused by terrorism.

Scenario Number 4

A large resort produces high amounts of sewage, which is piped into the sea surrounding the resort. There are no laws to prevent the resort from disposing of its sewage in this manner, but it is believed that this sewage is responsible for the deterioration in the quality of the coral, which has led to complaints from local SCUBA diving operators. The resort does not operate any diving itself, as its guests are largely retired couples who prefer to use the resort's many swimming pools. The resort argues that to dispose of its sewage in a way that protected the coral would involve considerable cost.

Action:

The resort continues to dispose of its sewage directly into the sea and this continues to affect the coral.

Scenario Number 5

A small, remote community feels very strongly about preserving the Sabbath and has refused to allow flights on Sundays to land or depart from its airport. However, the natural beauty of the island and its abundance of bird life has made it increasingly popular with tourists and provided the local economy with a much-needed source of income. In order to take advantage of a strong demand from those wanting to take weekend breaks there is a proposal from the only airline serving the island to begin flights on Sundays during the main tourist season.

Action:

The airline begins a limited number of Sunday flights.

Scenario Number 6

Two tour reps in a destination are responsible for selling excursions to the package tourists once they arrive. The excursions represent an important part of the income for the tour operator who relies on high-pressure sales tactics by the reps to sell the excursions. The two tour reps feel that although they work hard and work for very long hours they are not paid enough to live properly. The reps decide that as most customers pay cash, they could keep the money paid by some people going on the excursion, let those people onto the coach as normal but not tell the company.

Action:

The tour reps decide to keep the cash from two customers per excursion and benefit £25 each per week from doing so.

STORMY OUTLOOK? DOMESTIC STUDENTS' IMPRESSIONS OF INTERNATIONAL STUDENTS AT AN AUSTRALIAN UNIVERSITY

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ABSTRACT

The education of international students in Australian universities has grown significantly over recent years and today Australia has the highest ratio of international to domestic students among the major English speaking destinations popular with international students. While there is a variety of research that examines the learning experiences of international students, little research has been conducted that examines the impact international students have on their domestic counterparts.

This paper reports on research that solicits the perceived advantages and disadvantages as held by 300 domestic students who are sharing their educational experience with international students studying hospitality and tourism management. The paper identifies that there is a sizable proportion of domestic students who consider there to be too many international students on campus; that domestic and international students do not readily mix and highlights that racist incidents, while uncommon, do occur. It is suggested that institutions wishing to increase their number of international students must take into consideration the feelings and concerns of their domestic students.

KEYWORDS: Education, International Students, Domestic Students

INTRODUCTION

International students, particularly from China, but also from Hong Kong, Malaysia and Singapore, have been arriving in Western higher education institutions for education since the latter half of the 19th century (Chan, 1999). According to McNair (1933), Western Christianity played a critical role in bringing new education to the Chinese and influencing the trend for overseas education. The Chinese began sending students to Western institutions as long ago as 1847 when three Chinese students from Hong Kong traveled to the United States to study medicine (Pan, 1999). By 1916, some 300 Chinese students were reported in the United Kingdom studying mainly medicine, economics and engineering (McNair, 1933). According to Pan (1999), this drive for Western learning has been essential for China to modernize and has developed into an integral part of international students' learning opportunities that appears not to be unduly affected by environmental or financial issues (Chan, 1999).

The economic crisis that affected the traditional international student source countries and subsequent devaluing of local currency has affected the local population's

value of savings and resulted in a re-evaluation of spending plans (Prideaux, 1999). Consequently this has resulted in a reduction in spending on luxury items, such as holidays abroad, and items which have to be paid for in foreign currency, such as foreign education. However, despite this crisis, the demand for international education remained buoyant and, in the higher education sector, universities in Australia experienced record foreign enrolments during this period. Indeed Maslen (1999) reported that some Australian institutions reported international enrolment gains of up to 40% between sessions in 1998 and 1999.

The Demand for Western Education by International Students

By many accounts, the education of international students in Australia has grown in importance in recent years; it is currently Australia's eighth largest export industry. International education earned AUD\$3.149 billion in export income in session 1998/1999 (Davis, Olsen and Bohm, 2000) and contributed AUD\$4.2 billion to the Australian economy in 2001 (Bohm, Davies, Meares and Pearce, 2002). The increase in importance of international students to Australian universities is straightforward - compared to domestic students, who pay tuition fees through a combination of government subsidy and personal contribution, international students pay full tuition fees (at least double the domestic student fee) direct to the educational institution. Therefore, Australian universities are keen to attract and retain international students and most universities are often explicit in their desire to increase their proportion of full fee paying international students (see for example The University of Queensland Strategic Plan, 2004-2008). Consequently, higher education institutions in Australia commonly adopt marketing and other strategies that will result in international students undertaking tertiary study at that particular university.

These initiatives, aimed at international students by Australian universities, appear to be successful as international student enrolment at Australian higher education institutions has grown significantly over the past decade resulting in an increase in the cultural diversity of student cohorts (Scott, 1998; De Vita, 2000). Australia now ranks third behind the United States and the United Kingdom as the destination of choice for international students (Meares, 2003; IDP Education Australia, 2000). Indeed, the IDP reported that some 127,191 international students were enrolled in Australian higher education institutions in 2003 – the majority from traditional source countries of Malaysia, Singapore, Hong Kong and Indonesia and, increasingly China and India (IDP Australia, 2004). While competition for international students is forecast to intensify (Ward, 2004), future demand for Australian education appears strong with the International Development Program (IDP Australia, 2003) considering that of the forecast 7.6 million students who will be studying overseas by 2025, almost 1 million of these will be studying for Australian qualifications, either onshore in Australia, by distance learning, or at an offshore campus of an Australian institution (Bohm, et al. 2002).

The steady rise in the number of international students studying at Australian universities has subsequently resulted in an increase in the ratio of international to domestic students. In 1999, fewer than one in ten students on Australian university campuses were international. Since that time the density of international students has

shown a year on year increase and, in 2004, almost 17% of the student population at Australian universities originated overseas (IDP, 2005). Indeed, the popular press in South Korea, itself an important supplier of international students, recently reported that in 2004, the ratio of international to domestic students in Australian universities was the highest in the world (Lee, 2005). Consequently it can be seen that during the past decade universities in Australia have experienced an increase in the internationalization of their activity, both in terms of the number of international students studying Australian higher education programs, and an increase in the density of international students.

Several recent studies have suggested that international students studying in Australian universities adopt a learning style preference that is at odds with their domestic peers (See for example, Barron, 2004; Barron and Arcodia, 2002, Barron, 2002) and, in addition, experience a range of learning problems and issues that affect their overall educational experience (Barron 2004). Indeed Pedersen (1991) considered that in order to succeed, such students are expected to adjust to a narrowly defined set of classroom behaviors. Consequently, international students often have to adapt to alien teaching and learning styles and have to adopt strategies such as working harder and/or undertaking extra reading. Nevertheless, it has been found that international students studying at university in Australia are more likely than domestic students to successfully complete the academic aspect of their program and, indeed, often outperform their Western counterparts (Burns, 1991; Dobson, Sharma and Calderon, 1998).

It is recognized that problems and issues concerning the education of international students occasionally surface in academic and popular press. Recent examples would include allegations of lowering of academic standards in order to allow international students entry onto university programs (Furedi, 2004), lower pass marks being awarded to international students (Bright, 2004), or instances of racism, both institutional and student driven (Robinson, 2004). However, few studies have been undertaken that examine the impact of the ever-increasing number of international students on domestic students.

The Impact of International Students

The presence of international students in the classroom has the potential to change both the content and process of education. These changes can be both positive and negative. From a positive perspective, and in addition to the institutional financial benefits highlighted above, the increase in the number of international students in Western classrooms has resulted in many benefits for higher education institutions and domestic students. As Pittaway, Ferguson and Breen (1998) noted, the fact that international students choose a particular university enhances the reputation and status of that university as well as providing the obvious financial benefits associated with international enrolments. For domestic students, the opportunity to share their educational experience with international students enriches their learning experience and broadens their outlook on life. Indeed, it has been found that domestic students recognize the personal and career benefits of having a network of colleagues from different countries (Pittaway, et al, 1998). Indeed, as Volet and Ang (1998:21) succinctly opine, “The presence of international students on university campuses provides a unique social forum

for enhancing all students' understanding and appreciation of the richness of other cultures”

In her analysis of perceptions of international students as held by faculty members, Trice (2003), found that international students brought, quite naturally, an international perspective to the classroom, thus making the lecturer's job easier and enriching the learning experience for fellow students. Interestingly, the inclusion of international students in the classroom was also seen as a motivator to domestic students to do better as the international cohort were seen to be of higher academic quality than their domestic counterparts. However, a rebuttal to this argument is the difference in employment patterns between international and domestic students. Studies have shown that almost all Australian students work up to 30 hours per week in order to support their studies in comparison to less than one in five international students studying in Australia becoming involved in part-time employment (Anyanwu, 1998). Consequently, it is suggested that international students can spend more time, concentrate more effort on study and thus achieve better marks than their domestic counterparts.

Another benefit that Western universities accrue as a consequence of the inclusion of international students in their institutions is the creation and development of a valuable network of international alumni; often exploited for marketing and recruitment purposes (Trice, 2003). There is some overlap when considering the benefits to the domestic student. A richer experience and the achievement of better grades may not be immediately obvious to the average domestic student, however, Spencer-Rodgers and McGovern (2002) suggest that domestic students widen their world view as a consequence of dealing with international students and develop relationships that might be long lasting and beneficial in future careers.

While international students might be regarded as valuable financial, cultural and intellectual resources that enrich the university community, it has been found that they also possess values, norms and patterns of behavior that conflict with those of domestic students (Spencer-Rodgers and McGovern, 2002). Consequently, much has been written about the negative impacts or perceptions of the internationalization of Western education. From the domestic student's perspective, the increase in the number of international students present on campus can lead to resentment perhaps stimulated by a consideration that international students are somehow more important than domestic students (Anyanwu, 2004). This feeling of inequality manifests itself through the provision of superior teaching facilities and staff placing primary consideration on the needs of international students (Trice, 2003). This is coupled with a general feeling that the increase in international students has brought with it a decline in academic standards (Anyanwu, 2004), due mainly to an accusation that international students demonstrate poor English language proficiency which results in a subsequent reduction in academic rigor due to slowing of pace and reduction of quality of teaching (Delaney, 2002). In a similar vein, there have been reports that academic staff has lowered pass rates to accommodate international students. Indeed, in some cases accusations have been made suggesting that the requirements for passing courses are different for domestic and international students (Anyanwu, 2004).

Other impacts that international students have had on domestic students include the notion that international students take places in universities that would otherwise be awarded to domestic students (Anyanwu, 2004; Spencer-Rodgers and McGovern, 2002; Spencer-Rodgers, 2001), communication difficulties (Volet and Ang, 1998, Pittaway, et al, 1998) and the perception that academic staff were unable to cope with the extra demands placed on them as a consequence of the increasing numbers of international students (Niles, 1995).

The concept of the culturally diverse classroom is brought into sharp relief when the idea of groups of culturally different students working together is explored. There is much evidence (see for example, Barron, 2004; Spencer-Rodgers and McGovern, 2002; Volet and Pears, 1995; Quintrell and Westwood, 1994; Burns, 1991) to suggest that local students and international students do not readily mix and tend to study in parallel throughout their program. Volet and Ang (1998) found that both Australian students and students from South East Asia preferred working on assignments with their own people. The reasons for which included a more comfortable feeling when working with people who have similar cultural background and share a common language. In addition it was found that students preferred to work with peers who have similar commitments outside university life. The final reason for preferring to work with people of similar backgrounds is that it was found that each group often holds negative stereotypical views of the other in, for example, the area of motivation and commitment (Volet and Ang, 1998).

While Volet and Ang (1998) opine that universities have a social responsibility to design learning environments which foster student's willingness to work across cultural barriers, it is important to note that international students are, at least equally, to blame for this tendency to work with and socialize exclusively with other students from their own country (Mullins, Quintrell and Hancock, 1995). In addition to the obvious cross cultural benefits of working together, it might also be suggested that working exclusively with one's own kind can have a "consequence of jeopardizing their chances of improving their spoken English" (1995:218). It is argued that this, in turn, can affect students' capacity to participate fully in tutorial and other class activities (Barron, 2004).

One disturbing outcome of the internationalization of Western university classrooms has been the increase in the level of overt and less obvious instances of racism. In their research Pittaway et al. (1998) found many instances of racism, especially amongst local undergraduate students. They stated that they were "shocked at the amount of unconscious racism expressed by local students... even those in favor of an increasing number of international students made comments that were at best patronizing" (1998:69). Indeed the aspect of racism on university campuses has long been raised, with Knight and De Wit (1995) considering that racism is an ever-present threat that should be taken into account by those universities interested in increasing international student numbers.

In her report addressing the impact of international students on New Zealand university classrooms, Ward (2001) concluded that there have been no systematic studies that have examined the impact of the steady increase in number of international students

on domestic students and institutions. Therefore, given the increasing number of international students combined with the increase in the ratio between international and domestic students in Australian classrooms, there is a need to understand the impact of the internationalization of classrooms. From a domestic student's perspective, it might be suggested that the typical Australian higher education classroom has changed. Firstly, domestic students will have noticed an increase in the number of international students in the classroom. Additionally, domestic students may also have noticed the study techniques, motivation and success rate of international students. Changes in the Australian classroom might have at best resulted in a more culturally diverse and challenging environment; at worst the current situation may be one that is cultivating a feeling of resentment on the part of domestic students. This research attempts to explore domestic student's perceptions of the increasing number and density of international students in Australian higher education institutions.

METHODOLOGY

The notion to determine the impact of the internationalization of Australian higher education on domestic students was brought about as a consequence of the results of a larger study that the researcher approached from a post positivist perspective. From a practical viewpoint, it is held that the post positivist conducts research in a well-controlled environment, such as the classroom or within the framework of a focus group (Fischer, 1998) and thus uses more natural and comfortable settings (Dias and Hassard, 2001). Sparks (2002) considered that the post positivist researcher conducts both individual and group research but solicits the emic, or insiders, viewpoint. Consequently, the postpositive researcher aims to produce recommendations that assist in the general improvement of an issue rather than develop definitive results.

The sample and setting for this research were all students enrolled on courses offered by the School of Tourism and Leisure Management at The University of Queensland. A two part questionnaire was developed specifically to investigate the impact of internationalization of all students' education experiences. The first section asked respondents to answer questions concerning age, gender, nationality and ethnicity. This section also asked questions that attempted to determine motivations for current area of study and reasons for choosing their particular program at The University of Queensland. The second section consisted of a variety of questions that solicited students' attitude to the impact of the number of students from different backgrounds being taught in the same classroom. The majority of questions in this section required a Yes/No response but also presented respondents with the opportunity to provide qualitative comments as a means of elaboration.

In order to achieve a maximum response, and to answer questions students may have had during the completion of the questionnaire, the questionnaire was administered in the controlled environment of formal class time and under the supervision of the researcher. Ticehurst and Veal (1999:138) describe this approach to a questionnaire survey as a 'captive group survey' and suggest that this method of questionnaire administration is expeditious and less problematic than in less controlled situations. The controlled nature of the questionnaire administration resulted in a total of 405 useable

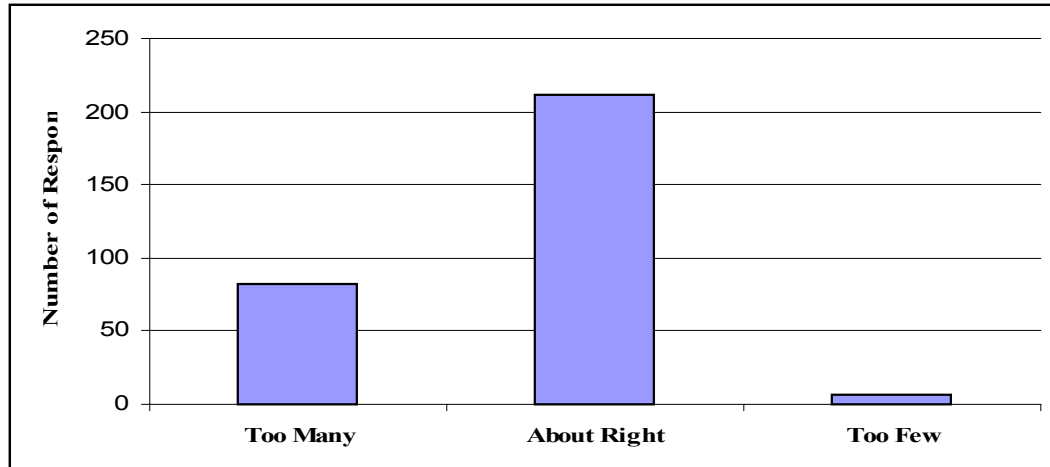
questionnaires being completed by students studying courses within the tourism and leisure management school. The sample population comprised a majority of students (94%) under 24 years and a majority of females (70%). Students representing 27 different nationalities took part in this research. While the questionnaire was administered to all students, regardless of nationality, the focus of this paper is considering the impact of international students on the educational experiences of domestic students. Consequently the results section will concentrate on the responses of those students who identified their nationality as Australian and who comprised 74% (n=301) of the sample.

The data collected from the questionnaire were analyzed via SPSS and a range of frequency tables and cross tabulations were generated which subsequently allowed for the development of bar charts. These charts will be presented in the next section along with a selection of appropriate qualitative responses made by students.

RESULTS AND DISCUSSION

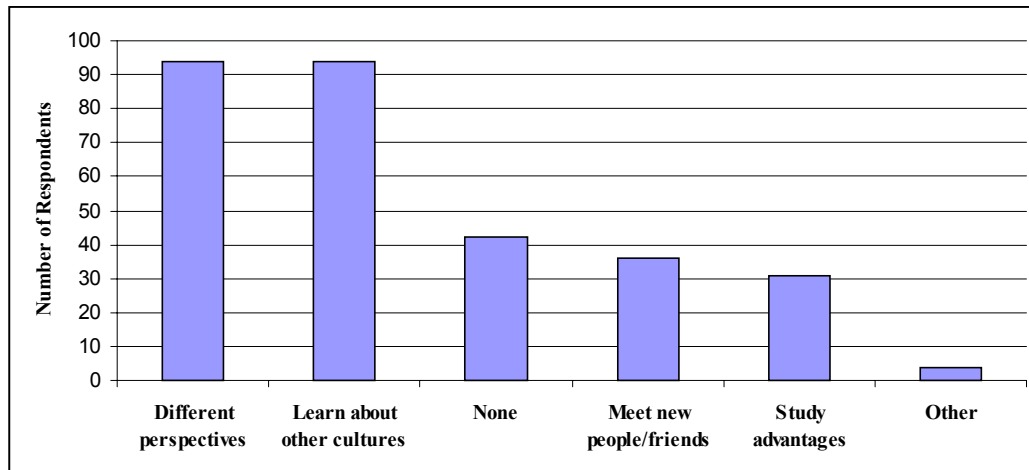
In order to gauge the general feeling regarding impressions of the perceived number of international students studying tourism and leisure courses, domestic students were initially asked if they felt that they were sharing their educational experience with too many, too few, or about the right number of international students. Figure 1 below gives an overview of the responses. While it can be seen that the majority of respondents felt that the number of international students was about right, a very small number considered that there was room for more international students. Worryingly, 85 domestic students considered there to be too many international students studying various courses. While it is recognized that this represents a relatively small percentage (28%) of the total number of respondents, it is contended that this group may view international students from a negative perspective. That a number of domestic students consider there to be too many international students on courses is perhaps to be expected given the rapid growth of the number and density of such students (IDP, 2005; Lee, 2005; IDP, 2004; IDP, 2000). Students were then asked if they considered that the standard or quality of their educational experience had been negatively affected by the number of international students on their courses. A similar number (74) of domestic students considered that this was indeed the case. The most commonly cited affect was the perceived lowering of academic standards to accommodate the every increasing number of international students. This accords well with the comments made by Furedi, (2004) and Bright, (2004) discussed earlier.

Figure 1
Domestic Student's Perceptions Of The Number Of International Students On Courses



While it was found that there were a number of domestic students who considered there to be too many international students, most respondents actually perceived that the inclusion of international students resulted in a variety of advantages to their educational experience and accord well with the findings of previous research (Trice, 2003; Spencer Rodgers and McGovern, 2002; Pittaway, et al, 1998; Volet and Ang, 1998). The most commonly cited advantages were that international students provided an opportunity to gain different perspectives in the classroom and that international students afforded domestic students the opportunity to learn about different cultures. Only a small number of respondents considered that international students were an opportunity to meet new people and make friends and several considered that the inclusion of international students benefited them academically. One respondent stated that “international students in the classroom allows for an exchange in points of view, this interaction helps me academically and might provide a head start in industry” Figure 2 below gives an overview of the responses to this question.

Figure 2
Domestic Student's Perceptions Of The Advantages Arising From The
Inclusion Of International Students In The Classroom

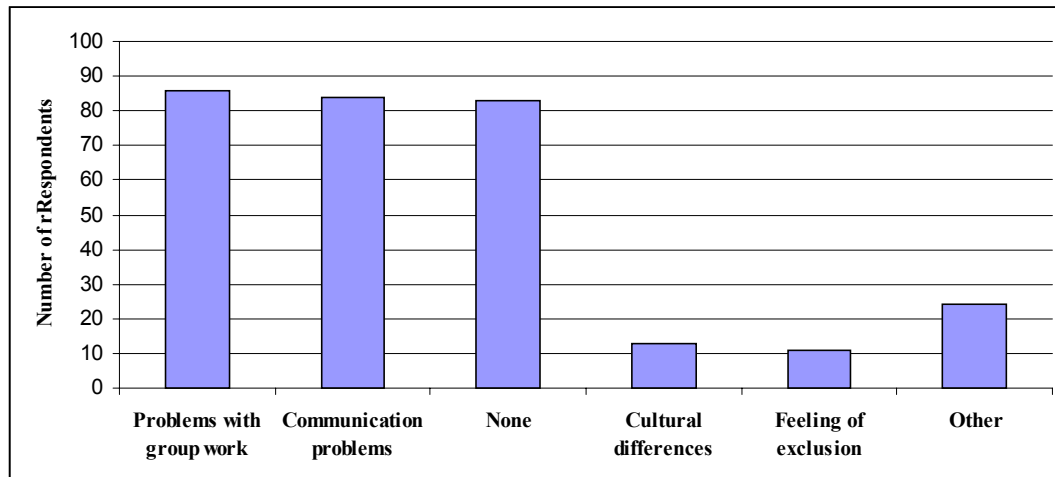


Domestic students were asked to consider what disadvantages they had experience as a consequence of the inclusion of international students on their courses. Figure 3 below gives an overview of the total responses to this question. It can be seen that while 28% of respondents considered there to be no disadvantages accruing from international students on courses, the majority of respondents considered felt that there were several key disadvantages; notably communication problems and working together issues. This fairly common sentiment was succinctly put by one respondent who stated that:

“(working with international students) can be hard because of the language barrier and this can have an affect on slowing down tutorials for more explanations”

The consequence of these issues was further explored when respondents were asked to reflect on whether international students readily mixed with domestic students in order to tackle group assignments. The majority of respondents (62%) considered that no cooperation between domestic and international students took place and that international students chose not to become involved with domestic students for group projects. Indeed, several comments were made that suggested this was no bad thing: one respondent felt that working on group projects with international students made “more work for local students and might negatively affect my final mark”. This attitude, where the concept of working together will have a negative effect on a student’s academic outcome, is of concern and transcends the normal cultural differences arguments of choosing to work exclusively with one’s own kind. However it can be seen that wishing to work with people from a similar background appears to be a perennial issue that has been well reported in previous research projects (see for example, Spencer-Rodgers and McGovern, 2002; Volet and Pears, 1995; Quintrell and Westwood, 1994; Burns, 1991).

Figure 3
Domestic Student's Perceptions Of The Disadvantages Arising From The Inclusion Of International Students In The Classroom



Finally, domestic students were asked if they had witnessed any racist incidents on campus. While the vast majority (87%) had not witnessed any such incidents, the remaining 13% of respondents had personally witnessed a racist incident against an international student. The most commonly cited incident that had been noticed concerned issues of exclusion. For example, incidents such as domestic students overtly refusing to work with international students on group projects had been noticed. However, several respondents related incidents of staring at, or commenting on, traditional (normally female) dress and name-calling. In addition, several respondents commented on the level of indirect or unconscious racism, stating that racism was a common occurrence that was perpetrated by the majority of domestic students who were, in effect, unaware that they were engaging in any behavior that might be construed as racist. This accords well with the research conducted by Pittaway et al (1998) who found many instances of unconscious racism.

While the focus of this paper was firmly on the impact on domestic students, the researcher felt it useful to examine the number of international students that took part in this research who had been witness to a racist incident whilst on university campus. It was found that 20% of international students who took part in this study had witnessed a racist incident. While it is out with the remit of this research to provide reasons for the difference between the two groups, it might be suggested that international students might be more aware of when such an incident occurs; while domestic students only notice such incidents when they are overt.

CONCLUSION

This paper has aimed to provide an overview of domestic students' impression of sharing their educational experience with an ever-increasing number of international students. The results of this study appear to reinforce previous research projects that have examined the advantages and disadvantages of the multicultural classroom. While many

domestic students readily identify the advantages of sharing their educational experience with international peers, this project has identified that domestic students in 2005 are as unlikely as their predecessors to choose to work with people of different cultures.

This research has found that the majority of respondents view their international peers from a very positive perspective and consider that the number of international students studying hospitality and tourism management courses at The University of Queensland is about right. In addition, the majority consider that their educational experience has been enhanced by the inclusion of international students. There does however appear to be a sizeable proportion of domestic students who consider that there are too many international students. This is a point of concern for any institution, particularly one that is explicit to continue to increase the number, and therefore, proportion of international students on its campus's. Of even more concern is the number of racist incidents that appear to have taken place on campus. Universities have a legal and indeed moral responsibility to ensure that there is no place for such incidents on their campuses.

While it is recognized that most student growth occurs in the international market, institutions must consider the impact on domestic students. The results of this research have highlighted several key issues that universities might wish to strategies in order to pre-empt and tackle potential negative issues. Firstly, this research has emphasized that the effect of the inclusion of international students on their domestic peers continues to be an under researched area. While it is recognized that increasing the number of international students is an economic necessity, those universities who are keen to maintain and indeed increase the number of international students on their campus's would be wise to reflect on the impact such a strategy has on their domestic students. Secondly, Universities must recognize that currently, there appears to be a significant minority of domestic students who view their international classmates from a negative perspective. This important group considers that there are currently too many international students and that, consequently, their educational experience is being negatively affected by the inclusion of international students. The results of this research would suggest that these negative feelings are brought about by a perception of a slowing down of learning, poor levels of English and an unwillingness of students of different backgrounds to work together. It would therefore be wise for universities to adopt initiatives that that examined and solved these issues. While this researcher does not advocate forcing students to work together, it might be recommended that, for example, lecturers take more of an active role when it comes to group composition.

Finally, this research found that there was a feeling of unfairness amongst domestic students and that somehow, international students were perceived as more valuable. This perception is reinforced by the difference in fees paid, the lack of quotas and an image that international students are taking places that have traditionally belonged to domestic students. This unfair perception is perhaps the most potentially dangerous and universities need address this issue through effective communication with domestic students, a more clear admissions process and a more focused emphasis on the importance of domestic students to the institution. This researcher considers that the

determination of domestic students' thoughts and feelings on this issue might be an effective first step in eradicating this perception.

Thus it is recommended that institutions tackle this sensitive issue and develop a strategy aimed at reducing perceived disadvantages and encouraging students to work together: an essential activity should higher education institutions wish to remain attractive to both international and domestic students.

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CAREER EXPECTATION: THE CASE OF HOSPITALITY AND TOURISM MANAGEMENT STUDENTS

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ABSTRACT

The purpose of this study is to investigate hospitality and tourism students' preference and expectation of their future career and compare the findings with existing research to uncover any changes over time. More specifically, the study will determine what influences students' decision to accept a job; what their expectations of initial positions are; how much they expect for their initial salary; how many hours they expect to work; and at what time they expect their promotion rewards and advancements.

KEYWORDS: Career expectations, tourism and hospitality students

INTRODUCTION

It is crucial for the hospitality and tourism industry to identify and comprehend hospitality and tourism management students' expectations in regard to their future career in the field; such an understanding may lead to gaining satisfied, productive and loyal new recruits and also save a company's turnover cost¹.

Satisfaction is directly related to the expectations and perceptions of the outcomes of an experience. If an organization cannot offer and meet employees' expectations, employees will perceive the gap, become dissatisfied with their professional life and most likely leave the organization (Blanchard, Johnson, & Hersey, 1996; Knutson, 1989). The same theory may apply to hospitality and tourism management students in regard to their perceptions and expectations toward their future career in the hospitality and tourism industry. If the students' expectations

¹Hinkin and Tracey (2000) investigated the cost of turnover and concluded that turnover costs were about \$6,000 and it equated to about \$3.00 per hour in annual wages for an hourly position. If the total number of front desk is 30, and turnover rate is 50%, then the overall cost of turnover is \$95,000 by reducing turnover rate to 25% the hotel would save almost \$50,000 and improve service quality.

from their first post-graduation professional positions are different from what the industry is actually offering, the gap between their expectation and reality may influence their satisfaction level and continuity in the industry (Charles, 1992).

In the 1980s researchers investigated students' job expectations and published the results (This is discussed in the literature review). Since then, there have been not many additional studies on this subject in the hospitality and tourism field. This lack of current research on students' career expectations offers an opportunity for additional research on the subject.

The purpose of this study is to fill the research gap by investigating hospitality and tourism students' preference and expectation of their future career and compare the findings with existing research to uncover any changes over time. More specifically, the study will determine what influences students' decision to accept a job; what their expectations of initial positions are; how much they expect for their initial salary; how many hours they expect to work; and at what time they expect their promotion rewards and advancements to occur.

LITERATURE REVIEW

Little research about hospitality and tourism students' post-graduation career expectations has been undertaken. One of the few available studies was conducted by McCleary and Weaver (1988). They investigated what variables hospitality students valued most when selecting a professional position by asking respondents to rank 16 variables related to a job selection. They concluded that respondents ranked "chances for promotion and growth" as the most valued variable, followed by "work that keeps me interested," and "a chance for increasing responsibility." Knutson (1987) also showed similar results to McCleary and Weaver (1988b)'s study. Respondents from his study indicated that "interesting work" followed by "growth and promotion" were the most important factors.

In a similar but in a more in-depth study, Casado (1992) disputed a common industry myth about hospitality schools that these schools created false career expectations among students that contribute to higher job turnover. Casado's study concluded that students' expectations before they graduated were fair and realistic. In his research, most respondents expected to be offered a trainee position, and accepted the idea of working well over 40 hours per week. Knutson (1987) found similar results about the students' expectation for salary, hours and other components of employment. He agreed Casado's results that junior students had higher expectations of their future careers in terms of salary, job security and nice people to work with, however, before the graduation (when they became seniors), their expectations about future jobs became more realistic. Knutson (1987) explained the more experience students have, the more realistic they become in this field. Similar results were found in Barros, Partlow and Montgomery's study (1993). They investigated club management students' perceptions of career opportunities and concluded that the majority of students with club experience had lower expectations than students without experience.

Farmer and Tucker (1988) investigated the gap between students' perceptions before they enter the field and after they have a professional position for a minimum of six months. They asked students and alumni to rank work condition items in order of importance. Their study revealed that students ranked "number of days worked per week," "benefits," and "salary" as

their top three preferences respectively. In contrast, alumni revealed “salary,” followed by “number of days worked per week,” and “benefits” as their most important factors respectively. These difference leads to them conclusion that students valued certain work conditions which become secondary after they entered the job market and began to be responsible for their own livelihood.

Charles (1992) reported that about 48% of student respondents preferred to work Hotel industry compared to 18% food industry. Knutson (1987) reported about 59% of respondents indicated that their preference for the Hotel industry while 25% of respondents preferred to work in food service industry. McCleary and Weaver (1988b) also reported that 58% of respondents wanted to pursue their career path in the hotel industry compared to 30% of food service and 12% of travel industry. This is contrary Cheng’s study (1998). Cheng (1998) indicated that 42% of respondents preferred to establish their career path in the food service sector.

In the same token, Charles (1992) investigated the Caribbean undergraduate hospitality and tourism management students’ perception of and attitude toward their career choice. His results showed that the Caribbean undergraduate hospitality and tourism management students considered “interesting work” as the most influential factor because it would give them excitement, stimulation, creativity and flexibility. Charles (1992) also noted that the students were generally satisfied with their career choice, although their satisfaction appeared to decrease with time, to the extent that students’ expectations and perceptions of the industry become more realistic after their internship experience. He concluded that there was very little internationally published literature on the career orientation of hospitality and tourism students in other countries except on the North America.

Barrow, Partlow and Montgomery (1993) investigated club management student’s expectations of their future careers and asked them what they liked most and what they liked least about working in clubs. Compared to hospitality students’ responses, 84% of students expressed that they liked “getting to know members in the club” most, instead of more tangible job aspects such as pay, benefits, or working hours.”

METHOD

The target population of this study was students majoring in the field of hospitality and tourism management. The self-administered survey questionnaire was distributed during hospitality and tourism classes at a university in South Korea. The survey instrument aimed to extract career-related information including factors affecting job selection; expectations related to working hours, initial salary, promotion and advancement periods; the most preferred industry’s sector to work in; and demographic information. The instrument was adopted from McCleary and Weaver (1988), Knutson (1987) and Cheng (1998) studies. This instrument was modified and more questions were added to customize it for the study sample. The survey was implemented in the classroom during the month of June 2005. One hundred twenty six questionnaires were collected and determined to be valid. No students completed the survey more than once.

RESULTS

The descriptive analysis of the study revealed that around 38% of respondents were male and 62% were female. Interestingly, no freshman responded to the survey with 14% of sophomore, 24% junior, 36% senior and 26% graduate (Table1). The largest group of students (38%) emphasized hotel management, and the second largest group's (26%) focus area was tourism management emphasis, followed by the third largest group focused convention and event management. Only 6% of respondents revealed their emphasis area was food service management. Respondents merged practical experience with their academic programs. Six out of ten said they have worked in the hospitality industry; 33% of them have worked in hotels, while 35% have been employed by a food service operation, and 24% of respondents have worked in the tourism industry (Table 1).

Students are steadily opting for the Hotel part of the hospitality industry rather than restaurant industry for their future careers. The largest group (31%) of respondents would like to pursue a career in the hotel industry compared to 5% who would work in the food service industry (Table 2).

Today's Korean hospitality and tourism management students clearly had a realistic view about their future career expectations. They expected to work significantly more than the traditional forty-hour work. Fifty seven percent of respondents expected that they would work between 40 to 50 hours a week, and 21% of respondents answered they would expect to work between 50 to 60 hours a week. The majority of students (42%) expected the salary range of between \$20,000 and \$30,000 for their first year and 33% of respondents expected a promotion within the first year of employment.

Table 1
Profile Of Respondents

	Frequency	Percents
Emphasis of study area		
Restaurant management	6	4.8
Hotel management	47	37.9
Resort management	7	5.6
Tourism management	2	1.6
Food service management	7	5.6
Convention/ event management	10	7.9
Tourism management	33	26.2
Others	12	9.7
Gender		
Male	46	38.3
Female	74	65.7
Year in school		
Sophomore	17	14.0
Junior	29	24.0
Senior	44	36.4
Graduate	31	25.6
Have worked in the Hospitality and Tourism		
Yes	73	57.9
No	53	42.1
Area of experience		
Hotel industry (average 19 months)	37	33.0
Tourism industry (average 25 months)	27	24.1
Restaurant industry (average 20 months)	39	34.8
Others (average 32 months)	9	0.1

Table 2
Respondents' Preference

	Frequency	Percents
Industry segment		
Food service	6	4.8
Restaurant	9	7.1
Hotel/lodging	39	31.0
Convention center	9	7.1
Visitors bureau	2	1.6
Travel agency	21	16.7
Club management	7	5.6
Theme Park	3	2.4
Airline	18	14.3
Casino	2	1.6
Others	10	7.9

Respondents in this study had higher expectations than respondents in the previous studies regarding their starting position. When they were asked to express their starting position in the industry, 34% of respondents responded they would start to work as a manager compared to 21% of respondents who expressed they would start as an assistant manager. Sixteen percent of respondents expressed that they would like to start to work as a general manager (Table 3).

Students were asked to indicate the degree of the importance of 13 items when thinking about taking a position within hospitality and tourism industry. All of the items were internal to the employment situation; benefits, coworkers, image of the company, salary, location, working hours, job security, etc. Table 4 shows the rank of importance of considerations. The most influential factors in choosing a company to work were “work that keeps me interested” followed by “benefits” and “good working conditions.”

Table 3
Respondents' Expectation

	Frequency	Percents
Expected position		
Manager trainee	13	10.4
Assistant manager	26	20.8
Supervisor	14	11.2
Manager	43	34.4
General manager	20	16.0
Others	9	7.2
Expected working hours		
Under 40 hours	25	19.8
41 - 50 hours	72	57.2
51 - 60 hours	27	21.4
Over 60	10	7.9
Expected salary		
Under \$20,000	9	7.2
\$20,000 - \$29,999	52	41.6
\$30,000 - \$39,999	28	22.4
\$40,000 - \$49,999	15	12.0
\$50,000 - \$59,999	15	12.0
\$60,000 - \$69,999	1	0.8
Over \$70,000	5	4.0
Expected first promotion		
Under 6 months	11	12.8
6 – 1 year	36	33.0
1 – 1.5 years	29	26.6
1.5 – 2 years	16	14.7
Over 2 years	14	12.8

Table 4
Important Factors In Selecting A Company

	Mean	Variance
Work that keeps me interested	3.39	.695
Benefits	3.29	.636
Good working conditions	3.14	.667
Promotion and growth opportunity	3.06	.657
Salary	3.02	.798
Coworkers	2.98	.824
Image/reputation of the company	2.87	.660
Working hours	2.85	.783
Empowerment level	2.80	.765
Job security	2.74	.824
Supervisor	2.69	.821
Training	2.67	.693
Location	2.51	.848

CONCLUSIONS

This study revealed influential factors for selecting a company among hospitality and tourism students. This result was consistent with existing research regarding students' career choices. The largest of group (38%) of respondents in this study emphasized hotel management as their preferred career choices. This is similar to the results of Knutson (1987) and McCleary and Weavers' study (1988). Six percent of respondents reported that their emphasis areas were food service industry, whereas 25% foodservice industry in Knutson (1987)'s study and 30% for foodservice industry in McCleary and Weaver's study (1988).

Respondents indicated that the most important factor for selecting a company was "work that keeps me interested" followed by "benefits" and "good working conditions." Parallel results were found in Knutson (1987), and McCleary and Weavers' (1988) studies. Hospitality students have consistently similar motivation when they select a company. However, after they enter the company and the most dissatisfying factor was salary and the first reason to leave the work was also salary (Lam, Zhang & Baum, 2001).

It would be expected that employees of any industry would rank salary and benefits as baseline factors that are highly valued. Hospitality and tourism students are no different in this respect. According the results of this study, what does differentiate these students is the importance they place on type of interesting and gratifying work offered by the industry, rather than other motivational factors such personal growth, promotion, job security or location.

These findings have implications for understanding the expectations of hospitality and tourism management students in South Korean students. The results of this study are not quantitatively different from those of similar studies conducted on American hospitality students. This may suggest the possibility of the existence of certain career orientation, especially in their career preference and the most influential factor for selecting a job, universals among hospitality

and tourism students. From an educational perspective, the results of this study confirm the strong influence of the industry practicum on the views and perceptions of students.

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ACADEMIC PUBLISHING SUPPORT CURRICULUM: STAKEHOLDER PERCEPTIONS

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ABSTRACT

The Academic Publishing Support Curriculum (APSC) program was developed to provide guidance for graduate students interested in academic publishing. The purpose of this investigation was to examine perceptions associated with implementation of the APSC at a top-tier teaching institution in the Upper Midwest of the United States. This exploratory study was a precursor to program implementation to evaluate acceptance in two key stakeholder groups: the graduate faculty and graduate students. The findings from this study show a positive reaction towards the program with benefits reaching beyond graduate students. These findings are discussed along with their implications

KEYWORDS: Academic Publishing, Research Perceptions, Stakeholder Analysis, Curriculum Implementation, Graduate Student Research

INTRODUCTION

Although publishing research has been described as the accidental profession (Kaplan, 1998), its importance within academia is undeniable. Research publication plays an integral role in acquiring a teaching-research position, reaching tenure and contributing to an individual's discipline (Jensen et al., 2003). However, with such reliance on this often poorly understood part of academia (Murphy, 1996), successful publication for some is not easily accomplished. The difficulty lies within meeting expectations of the custodians of a field's tradition, the editors and reviewers, who must consider a submission worthy of publication (Natriello, 1996). To assist authors in reporting their findings, books of varying topics and styles have been developed (Day, 1998; Huff, 1999). These books, which have been directed towards new faculty or senior graduate students, have overlooked junior graduate students. With the growing availability of technology and the changing dynamics of graduate students, a format readily accessible and designed specifically for this group needs further exploration.

As the statement 'Publish or Perish' is synonymous with education (Glatthorn, 2002), graduate students early in their academic careers understand the importance of publishing their research findings. Conversely, within the academic framework, faculties do not necessarily teach students the process basics (Jackson et al., 1999). To remedy this, the Academic Publishing Support Curriculum (APSC) was envisioned. This initiative was developed using

previous seminar ideas and curriculum modules (Heinrich et al., 2004; Mullen, 2001). While the concept of integrating technology to provide publication assistance is practical, the acceptance level of such a curriculum offering has not been examined. Therefore, to ensure that construction of the APSC would be prudent, the applicability and reception of this program was investigated. Specifically, this research examined:

- O₁: Perceptions of student interest towards the proposed APSC offering by surveying graduate students and faculty mentors.
- O₂: Opinions concerning content, format and delivery of the APSC from the graduate faculty and student's viewpoint.
- O₃: Attitudes of graduate student and graduate faculty towards research at a teaching institution.

Based upon these objectives, the outcomes of this study will provide an analysis of both stakeholder groups concerning the implementation and acceptance of the APSC. Discussion will primarily focus on perceptions and attitudes of graduate faculty and students towards acceptance, content, delivery and interest in the program. General opinions concerning research will also be discussed from both perspectives. Conclusions will be presented for academic application and an outline of future research will be provided.

LITERATURE REVIEW

Academic publishing has gone through significant changes since its 1665 inception when the *Journal de Scavans* first appeared in Paris (McKnight & Price, 1999). From the physical journal standpoint, traditional metal type publishing has been replaced by technologically advanced methods (Hobbs, 2001). Corresponding to this increased production ability, the number of traditional and non-traditional outlets for published research across the science spectrum has also increased (Brey, 2003). The physical changes have also brought an international metamorphosis where quantity of published articles is greatly desired (Jenkins, 2002), further increasing existent pressure in the academy to publish (Cassuto, 1998). The burden of this demand for publication intensifies as publishing faculty are often expected to assist in developing the writing skills of junior faculty and graduate students (Mullen, 2001). With such pressure on faculty to successfully publish their research, the anxiety level and need for publication is continually magnified for students.

From the student's point of view, publication has gained greater importance in obtaining a position and eventual career advancement (Pechlaner et al., 2004). Historically, research and publication have appeared to these individuals as activities reserved for scholars (Mullen & Dalton, 1996; Mullen & Lick, 1999). The idea of developing a research track record as assistant professors is a luxury of the past, driving graduate students to be readily equipped with publication records when applying for their first positions (Mullen, 2001). Ideologically, publishing not being required for graduate students is archaic, as the development of writing skills are necessary to keep pace with an increasingly demanding world (Scardamalia & Bereiter, 1986).

Establishing this track record of publication is based upon a variety of factors. Students, to be successful must be initiated into the writing culture. Academic writing should be a key component of the doctoral process, and they must have access to advisors who can provide much needed mentoring (Mullen, 2001). Coincidentally, those mentors who are successful editors can supply a greater chance for overall publication success (Laband & Piette, 1994). Besides reliance upon an individual, the atmosphere surrounding the students is also of considerable importance. The organizational environment, where a student first learns the publishing process, has direct relation to publication success (Allison & Long, 1990; Keith & Moore, 1995). Additional educational support and training must also be included to ensure that researchers receive needed skills (Jamal & Choi, 2003).

Calculating career longevity and success has also been directly linked to the timing of initial student publication (Clemente, 1973; Reskin, 1977). Clemente (1973) found that authors publishing before earning their doctorate degrees were more likely to publish often than those who initially publish following degree completion. The importance of timing is compounded as lessening the elapsed time between earning an undergraduate degree and doctorate degrees increases the overall success rate in publishing endeavors (Clemente, 1973; Xie & Shauman, 1998).

Of these afore mentioned factors; pressure to publish, publication importance, establishing a writing culture, and initial publication; this research focuses on the ideals of developing early publication success by focusing on the development of junior graduate student skills. With a current knowledge gap existing concerning student research at teaching-oriented universities, this research will provide information supplemental to the current knowledge base.

METHODOLOGY

Quantitative and qualitative data were collected in two phases at a top-tier teaching institution in the Upper Midwest in the spring of 2003. The first phase was to survey the graduate faculty. This sample consisted of administrative and academic staff eligible to serve on thesis committees and was developed using the 2001-2002 Graduate School Report containing a list of all graduate faculty. Using this report as a basis, graduate faculty that were no longer employed, were on sabbatical leave, or had previously been exposed to the survey were eliminated. A total of 170 surveys were distributed using inter-campus mail two weeks before spring holiday. After the initial mailing, 71 (41.8%) usable surveys were returned. The follow-up mailing did not elicit additional survey responses. This response rate, while lower than expected, was deemed adequate due to time constraints associated with project completion.

The second phase was to survey members of the graduate student population. A judgmental sample, which allows the researcher to select a sample best fit for the study (Babbie, 2004), was selected to explore student perceptions of research and interest levels in APSC. The campus-wide mandatory research foundations course was selected for its mix of academic majors and the various stages of graduate education represented by the class members. A total of 35 surveys were distributed with 33 (94.3%) usable surveys collected.

The surveys used for the graduate faculty and students collected information concerning the application of the APSC on a scale of one to four, with one being the lowest and four being the highest. A four-point scale was used to separate respondents into lower and upper halves without needing to standardize the data. The faculty survey concentrated on understanding opinions about student research, perceived student interest in the APSC, and its content/delivery. In addition, faculty members were strongly encouraged to complete an open-ended section concerning research at the institution. The student survey collected information concerning content/delivery of the APSC, interest in academic publishing, and perceptions of the proposed APSC. Both the graduate faculty survey and student survey were pretested for clarity and accuracy. Non-graduate faculty members of the College of Consumer and Family Sciences pretested the faculty instrument (n = 9). Graduate students in the Department of Hospitality and Tourism, who were not enrolled in the research foundations course, pretested the student survey (n = 15).

Several techniques were used to analyze the collected data. Qualitative data collected through the open-ended section of the faculty survey were analyzed using the data management software Atlas TI. This program allowed for general themes to be established from the collected data. Quantitative data from faculty and student surveys were analyzed using the Statistical Package for Social Scientists (SPSS). Descriptive statistics, t-tests and ANOVA were run on the data. It is important to note that analysis of variance measures comparing academic standing of faculty to various independent variables were not significant.

FINDINGS

Survey respondents represented a spectrum of academic standings and programs. Graduate faculty respondents included 28 (38.9%) full professors, 22 (30.6%) associate professors, 9 (12.5%) assistant professors, and 12 (16.7%) other respondents. Those categorized as 'other' occupied positions ranging from the rank of associate dean to holding an administrative position within the university library. Graduate students participating in this study were from various disciplines as 10 of the 13 graduate programs were represented. Student academic standings varied, as there were 31 master's degree seekers and two undergraduate/graduate simultaneous students. Of these students, 18.2% were part-time enrolled and 81.8% were full-time enrolled.

When assessing the perceived level of student participation in the APSC, faculty and students differed in their overall opinions. More than half of the graduate faculty (62.3%) believed graduate students would have little or limited interest in the program (lower half) in comparison to 37.7% believing there to be an elevated or high interest. Furthermore, 82.1% of respondents would encourage their students to enroll in the course with only 16.4% responding the opposite. Only 1.5% of the respondents were not sure. The level of perceived interest was tempered from qualitative data collected via the survey. One faculty comment indicative of perceived student interest was:

"...I think this would be a great course for our graduate students, however, most are concerned with just 'getting it done' and would not want to overburden themselves with more commitments like getting their research published."

This pessimistic view of graduate student's perceptions towards publication was contradictory to the student survey findings. Over half of the graduate student sample (57.6%) was interested in the course offering. When asked about whether they would still be interested if there were a small fee included, 73.1% of those initially interested still had a high or elevated interest (upper half).

Interest concerning the APSC as a technologically supported software program was also assessed. While no statistical difference was found using a paired t-test between the two delivery options from a faculty perspective ($t = 0.322$, $p = 0.748$), 60% of faculty believed graduate students would have minimal or limited interest in the technology-based program (lower half). In this particular format, 72.3% of graduate faculty would still encourage their students to use this program, down from 82.1% for the traditional curriculum offering. Those not sure about the format constituted 4.6% of the sample. The following is a representative data clip supporting the technologically based format:

“(faculty) have a tough enough time getting our students to complete their own rigor of graduate classes, much less having another course for them to complete. My recommendation – put it on CD and sell it for \$10”

In addition, this data clip purviews the view of graduate student research from a faculty perspective.

When graduate faculty were asked what would be the best option for offering the APSC in a standard curriculum offering, 42% believed that a semester class would suffice, while 31.9% believed spreading the curriculum into two simultaneous semesters was more advantageous. Allowing as much time as needed was also a popular option, as 24.6% believed this to be appropriate. Only 1.4% believed that a combination of the three options would be appropriate. Graduate students' opinions differed from faculty, as they believed allowing for as much time as needed was most appropriate (39.4%), followed by a semester-long course (36.4%). The least preferred option was having the course over two simultaneous semesters (24.2%). Both faculty and student participants were actively involved in supplying suggestions on increasing curriculum effectiveness and interest. With ideas ranging from adding discussion on the importance of publication to suggesting journals that should be core course resources, no apparent themes developed to increase the overall effectiveness of the APSC.

Understanding opinions on course format were also of interest. In the faculty members' opinions, 31.8% believed traditional weekly classroom meetings were the best format, while the majority (53%) was most interested in having online curriculum with occasional meetings. Only 9.1% favored all-electronic formats and 6% thought that some combination of options was most appropriate. Graduate student opinions were dissimilar to the faculty, as the majority of students (51.5%) preferred weekly class meetings. The option of having an online curriculum, while still meeting occasionally, was a popular alternative, with 42.4% indicating this as the best option. Only 6.1% of student respondents believed that an all-online course would be most appropriate.

Besides understanding opinions towards APSC form and function, this study ascertained opinions relating to research benefits. Concerning curricular benefits, only 24.6% of the faculty members believed there to be minimal or limited benefits of the program (lower half), while 75.4% agreed the APSC had high or elevated benefits (upper half). Conversely, 70% of faculty respondents thought the university as a community would not benefit from the APSC, while 30% believed that the university would benefit from this program. Student respondents concurred with faculty, as 93.9% believed the curriculum would have a high or elevated benefits level (upper half).

In addition, perceived interest of the APSC to faculty and students' commitment to publishing research was also analyzed. When faculty were asked whether the APSC would be of interest to faculty, 43.5% believed that there would be little or no interest (lower half), and 56.5% believed there would be an elevated or high level of interest. As for student publication aspirations, 63.6% showed interest in publishing their research findings. Only 3% of respondents were not sure if they had any interest in publication.

Of additional interest was the strong correlation between the perception of university commitment and perceived faculty interest in the APSC ($r = 0.322$, $p = 0.006$). A strong correlation also existed between university commitment to research and the APSC's significance to the university ($r = 0.384$, $p = 0.001$). ANOVA tests reaffirmed these findings. Significant differences were found using factor levels of university commitment in comparison to the dependent variables of overall interest and significance of the APSC ($F = 2.896$, $p = 0.042$; $F = 3.908$; $p = 0.012$ respectively). Levene's Test for Homogeneity, which tests the assumption of equal variance, confirmed the ANOVA variability assumptions were met ($L = 0.446$, $p = 0.721$; $L = 0.709$, $p = 0.550$).

DISCUSSION

Graduate students can learn to produce quality writing (Bolton, 1994; Mullen et al., 2000). The path to developing quality writing into academic publications is difficult for both the student and faculty mentor. This fact is augmented at teaching universities where facilities and resources to expedite the process are not always accessible. Without these resources and the primary obligation placed upon teaching, publication interest does exist. While student interest exceeds that of faculty perception, a need for additional support to complete the publication cycle, such as the Academic Publishing Support Curriculum, is evident.

Findings from this exploratory study suggest that addressing psychological attitudes towards research at the university level is imperative. Faculty that perceived the university as strongly committed to research, were positive towards the APSC and its applications within the academic environment. These faculty members could provide the starting point from which to establish research publication as an important dynamic within the teaching university setting. By developing a positive attitude towards research, faculty and graduate student interest would reach equivalent levels.

Reinforcing this needed psychological change was the finding that faculty members saw promise in the APSC program but lacked the positive mind-set towards the success of this program. Comparatively, students maintained a positive overall interest in the program. Perhaps

faculty members have a more realistic view of the publication motivations of graduate students within their programs. Perhaps also students have an increased interest in publication at such an early age due to potential career impacts. Whatever reasons exist for this apparent dissonance, bridging the gap of where students are and where faculty believes them to be needs addressing.

Once the gap concerning research perceptions has been addressed, developing curriculum appropriate to the university environment is the next step logical step. With the advent of technology, there exists a drive from administration to use technologically advanced applications (personal communications, Chancellor, Provost, Dean of the College of Human Development; March 17, 2003). While this format would effectively limit costs and strain on available physical facilities, it is contradictory to faculty and student preferences. Using a hybrid technology application would be most beneficial as support from both stakeholder groups would be the strongest.

For delivering content, traditional course curriculum mixed with technological applications over an extended period would be optimal. While a semester-long class was favored by graduate faculty, students preferred the ‘as much time as needed’ option. Combining these concepts would provide the most logical timeframe for content delivery – a structured class with independent study aspects. By allowing students who need additional time following the completion of the semester and since publication times differ even within disciplines, this would allow for greater flexibility in completing the overall course goal -- successful publication.

Coinciding with time requirements from the student’s perspective is their need for professorial interaction. Even with the most technologically advanced programming, this type of human interface is important in learning the ‘publication ropes.’ Both respondent groups believed occasional classroom meetings with supportive online information would be most appropriate. This format could provide additional benefits for other university groups as well. By supplementing the occasional coursework outline with additional online modules, an altered curriculum would be applicable to distance learning cohorts and allow non-traditional students located off-campus to participate. In addition, faculty interested in refining publication skills could gain almost-anonymous access to the course. This would be an added benefit as findings suggest faculty interest in this type of offering.

Current resources are available to assist students in reaching their publication goals but an additional need still remains. A curriculum offering which mixes both traditional in-class with technology or impersonal attributes would be preferred. The course should be offered over one semester while maintaining flexibility to accommodate additional time and space requirements of students. While only an exploratory study of perceptions and opinions, this study has provided support to the idea that traditional mentoring is of importance when developing a student’s publication skills.

FUTURE RESEARCH

Consideration of the applicability of this research to other campuses is necessary as both faculty and student samples were derived from a single university. In addition, the evaluation of the APSC program was limited as respondents were exposed only to a descriptive statement of the program. Additional research could base opinions and evaluations from a full table of

contents or course syllabi. This study's sample size, which included 25-45% of each university group population, should be expanded. The study could include a collection of geographically-dispersed institutions that include research- and teaching-oriented campuses for comparative purposes. Expanding the sample would have additional benefits as higher-order statistical analysis could be conducted. Demographic variables could also be tested for their level of influence on interest and opinions of the APSC. These future research considerations would further the findings of this exploratory study and extend the understanding of graduate students and their publication aspirations.

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Special Thanks: *The authors would like to provide special thanks to Amy Gillette, Jafar Jafari and Julie Furst-Bowe for their assistance in the completion of this research.*

A DECISION MODEL OF FRANCHISING ADOPTION BY ECONOMY AND MIDDLELEVEL HOTELS IN CHINA

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ABSTRACT

Franchising increasingly becomes an important management model of the economy and midlevel lodging segments in China. This study asks, “Given a choice between franchising and not franchising, what factors will affect the strategic selection towards franchising for economy and midlevel hotel properties?” Specifically, the study investigates the attitudes towards franchising adoption from the perspectives of hotel operators and lodging experts in China. Based on the qualitative data of thirty-eight personal interviews and literature review, a conceptual decision model of franchising adoption by economy and midlevel hotels is proposed. Elements of the model include ownership type of individual hotel, owner-operator’s attitudes, competitive environment, and geographical location.

KEYWORDS: franchising, economy, midlevel, hotel, China

INTRODUCTION

The study is conducted with the backdrop of increasing demands for economy and midlevel hotels in China and expected fierce competition among and between multinational and domestic hotel companies. Accor Group (France) and Cendant Corporation (U.S.) are the two multinational economy lodging firms that have already established their foothold in the China market through franchising. Currently, there are two Ibis hotels under Accor, and eight hotels with Super 8 flags in China. Several domestic hotel chain firms have aggressively developed their own brands of economy hotels over the past five years. The largest domestic hotel chain firms are Jinjiang Star Inn and Home Inn, representing 90 (including under-construction establishments) and 52 properties, respectively, by July 2005. Most of the properties are distributed in such developed regions as Beijing, Shanghai, Jiangsu Province, and Zhejiang Province. Their networks are expected to rapidly extend to over hundred of hotels covering most of major cities in China within few years.

The strong growth of China's economy greatly contributes to this dazzling speed of the economy and midlevel lodging development. With the world's sixth largest economy and the 9.1 percent growth rate of GDP in 2003, China continuously makes headlines in the past years and dumbfounds the world with some impressive statistics (Welch, 2004). People with more disposable income are traveling more than ever before. According to Ding and Deng (2005), domestic tourists totaled 1.1 billion and tourism spending reached US\$56.96 billion in 2004, with 26.6 percent and 36.9 percent growth, respectively, as compared to 2003. A high volume of small and independent companies in the domestic market has in turn resulted in a sharp rise in the number of people traveling within their home country, looking for value-for-money, good-quality accommodation that meets with their limited budgets. Providing comfort and convenience with an affordable rate, the economy and midlevel hotels are driven by business class travelers and leisure travelers alike (Feng, 2004).

In anticipation of the 2008 Beijing Olympic Games and 2010 Shanghai Expo, the local authorities have already designated economy and midlevel hotels as a key growth sector of economic development. They encourage the building of lodging properties to be franchisees of hotel chains and priced between RMB80 (US\$9.7) and RMB220 (US\$26.6) (Zhang, 2004). The two largest domestic hotel chains – Jinjiang Star Inn based in Shanghai and Home Inn based in Beijing both have support from their respective local governments. Most of other local authorities are also offering policies in favor of economy and midlevel hotel development as part of their economic growth strategies.

China's lodging properties with 3-star designation and those under 3-star are mostly operated independently. There are 7,870 of them, making up 90.9 percent of the total lodging inventory (CNTA, 2003). In the increasingly competitive environment, especially with both the aggressive entry of multinational firms and rapid growth of home brands, "franchising or not" is a constant question for the owners and operators of these economy and midlevel properties. For the franchisors, the question becomes "given a choice between franchising and not franchising, what factors will affect the strategic selection towards franchising for economy and midlevel hotel properties?"

The objective of this study is to identify the underlying dimensions considered by independent economy and midlevel hotels in their decisions to be or not to be a franchisee. Through literature review, the study also examines the factors underlying the franchisors' expansion strategy. The result of this study should be useful to both independent economy and midlevel lodging establishments who want to maximize profitability through franchising, and multinational and domestic franchisors who want to grow and expand through selling franchises. Both parties have a mutual interest in matching each other's needs and operating a successful franchise.

LITERATURE REVIEW

Defining Franchising

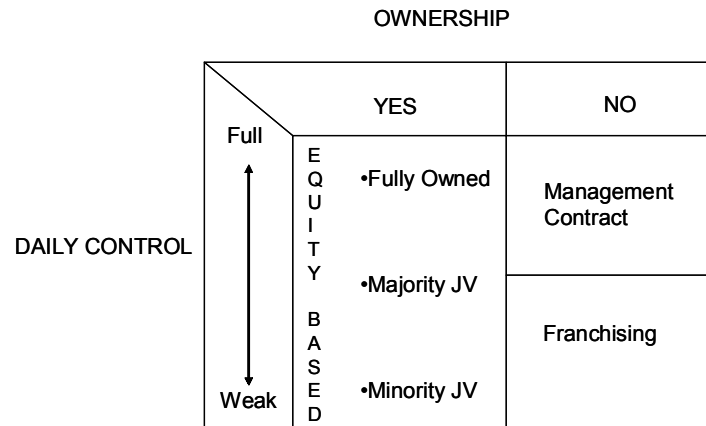
Franchising has been defined as a business form essentially consisting of an organization (the franchisor) entering into a continuing contractual relationship with franchisees (Curran and Stanworth, 1983). The franchisor owns a market-tested business package that centers on a product or service. The franchisee is typically a self-financed and independently owner-managed small firm, operating under the franchisor's trade name to produce and/or market goods or services according to a format specified by the franchisor. In the hotel industry, franchisors provide franchisees with brand, central reservation system, national advertising campaigns, management training programs, and central purchasing services. Some franchisors also provide architecture, construction and interior design services (Kasavana and Brooks, 2001). Franchisor and franchisee remain legally distinct, although the two parties work together and combine their efforts with the aim of creating a successful business format.

Why do firms choose to expand through franchising rather than through company-owned units? Elango and Fried (1997) suggested that it is possible to identify two competing theories to this question. There are termed resource scarcity (or resource allocation theory) and agency theory. In the former theory, franchising is viewed predominantly as a means of easing the financial and managerial constraints upon the growth of small-to-medium size firms and transpiring risk from the firm to the franchisee (Cave and Murphy, 1976). By contrast, agency theory views franchising as a form of channel management which attempts to gain the advantages of standardization, economies of scale and control achieved by the corporate marketing vertical system, plus the advantages of motivation, personal service and flexibility associated with the independent small business (Lafontaine and Kaufmann, 1994; Fulop and Forward, 1997).

Franchising and Management Contract

Dev, Erramilli and Agarwal (2002) defined the differences between franchising and management contract based on the degree of technology transfer. A franchise arrangement means that the entering firm relies heavily on the franchisee's capabilities, while under a management contract the entering firm provides most of the day-to-day managerial and technical support from within its own ranks and resources. This means that franchising requires a firm to transfer resources and expertise across firm boundaries (from the franchisor to franchisee), whereas management contract involves the transfer of such assets within the firm (from the franchisor to its own managers who are assigned to work at the franchisee's location). By the same token, when quality is not an important source of competitiveness advantage, management contract is less preferred and the use of franchising becomes more likely as the hotel size increases. Figure 1 (Contractor and Kundu, 1998b) illustrates the major considerations between the two strategic choices.

Figure 1
Franchising vs. Management Contract



Slattery's (1996) findings about the most common forms of model choice of expansion are highly revealing. Franchising accounted for 70.4 percent of hotels rooms in the United States, but only 14.9 percent in Asia. In the latter region, management contract was the dominant modal form, representing 74.8 percent of hotel rooms. In the United States, the use of management contract was limited to 20.5 percent of the quoted group rooms. The revealed patterns of development are not accident and an understanding of the influencing factors is important, if one is to begin to develop an appreciation of the use of franchising as a model of organization in the hotel industry.

Key Influences on Model Choice

What influence multinational hotel groups to favor one particular model form of organization over another as a means of development? What are the circumstances which will lead hotel groups to prefer the use of franchising over the other model forms? Drawing upon the general literature on firm internationalization, it is possible to identify two distinct sets of factors (Contractor and Kundu, 1998a; Lashley and Morrison, 2000).

1) Firm-specific factors explaining the propensity to franchise

- *Firm size*: Smaller firms possibly lacking in the necessary resources and international experience will tend to favor franchising of involvement (Gomes-Casseres, 1989).
- *International experience*: Franchising is preferred by the less experienced, less globalized international hotels groups (Johanson and Vahlne, 1977; Erramilli and Rao, 1993).
- *Perceived strategic importance of global scale for effective operation*: Achieving globalization necessitates that firms form partnerships in host countries to achieve the desired scale of operations then this tend to favor franchising (Lashley and Morrison, 2000).
- *Perceived strategic importance of control over quality*: The expressed importance of control over quality is related to the incidence of franchising (Contractor and Kundu, 1998a).
- *Perceived strategic importance of brand and reservation system*: Brand and reservation system lie at the core of a firm's strategic capability and without which, extensive franchising would not be possible (Dunning, 1980). A reservation system and brand are the two principal

codified intangible assets over which proprietary control is maintained by the parent firm whether under company-run operations or under franchising (Dunning and McQueen, 1981). They are “specific assets” in the sense that the hotel firm makes considerable expenditures over firm to build the brand reputation and a reservation system. Based on transaction cost theory, investment in brand reputation increases “asset specificity” (Erramilli and Rao, 1993). Consequently, investment in brand equity and a computerized reservation system, made by the hotel firm, serve to attract prospective franchisees and render higher value to franchisees. These are created “corporate capabilities” or assets eminently sharable, and desired by franchisees (Contractor and Kundu, 1998a).

2) Country characteristics

- *Country political and economic risk* (Madhok, 1994) and *economic development* (Kim and Hwang, 1992): The research undertaken by Contractor and Kundu (1998a) provided two-dimensional classification matrix to discover the relations: in high income/low risk or low income/high risk countries, franchising is favored.
- *Cultural distance* (Kogut and Singh, 1988): The greater the cultural distance then the greater the reliance will be on non-equity based modes such as franchising (Erramilli and Rao, 1993).

Franchising in the Economy and Mid-level Hotel Segments

Hotels that applied stricter operating standards than had previously been common among independent hotels have subsequently expanded and grown in the economy and midlevel segments by means of franchising (Lee, 1985). Cho (2004) indicated that franchising is more popular in the economy (small size) or middle (medium size) market while management contract is more popular in the luxury (large size) market.

Franchising can play an important role in the economy and midlevel hotel segments since franchising offers a less risky way to get into the hotel business, providing advantages such as brand recognition, standard services and products better than those found in other individual hotels (Cho, 2004). Poorani and Smith (1994) examined the applicability of hotel franchising to the hospitality industry from the viewpoint of size and sales, and investigated potential franchisees’ reaction to becoming a part of a hotel franchising system. It was found that the midlevel lodging businesses more frequently see franchising as a window of opportunity to improve sales while the larger businesses have a lesser desire to become a franchisee of a hotel company since they have already attained attractive returns and thus are satisfied with the status quo.

Currently, the majority of China economy and midlevel hotels are still managed under the owner-operator model. These properties, which dominate the hotel market in numbers, are troubled by poor quality standards. Researchers have attributed service problems to a variety of factors. These include wide variation of hotel facilities and services, lack of uniform hotel operation standards, inexperienced workforce (Tisdell and Wen, 1991), lack of unreliable information for marketing and planning (Liu and Liu, 1993), and lack of coordination in hotel administration owing to the complicated bureaucratic and financial structure (Zou, 1998). To address these problems, franchising provides an alternate approach for the independent economy

and midlevel hotels to take advantage of brand, management and sales distribution or central reservation system (Dong, 2005; Li, 2005; Yi, 2005).

Extant literatures are largely concerned with the entry model of multinational hotel companies to host countries. There is a lack of empirical research examining dimensions gauging the franchising adoption from the perspectives of independent economy and midlevel hotels. This study investigated the attitudes towards franchising from the standpoints of hotel operators and lodging experts, with these objectives:

- To initiate the understanding of the attitudes of hotel operators and lodging experts towards franchising in China's economy and midlevel hotel segments;
- To propose a conceptualized decision model of franchising adoption.

METHODOLOGY

This research was undertaken in three steps. First, the literature review provided an understanding of the concepts of franchising, factors of growth model choice by hotel companies, and economy and midlevel lodging developments in China. The second step was a series of in-depth telephone interviews with ten lodging experts and twenty-eight hotel operators in China. The data was collected qualitatively through open dialogues and free-flow conversations. Qualitative methodology was deemed more appropriate for this study, as it emphasized processes and meanings that cannot be rigorously examined or measured in terms of quantity, amount, intensity, or frequency. It seeks to answer questions that focus on how social experience is created and given (Denzin and Lincoln, 1994). Of all the qualitative methods, the in-depth interview may be argued as being the most powerful tool to gain insights into the socially constructed realities of individuals (Kvale, 1983).

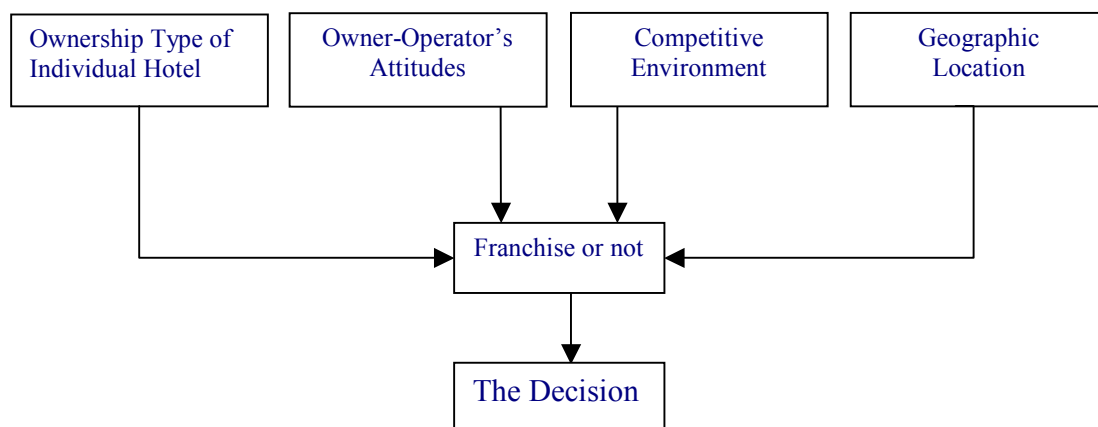
In this study, the expert interviewees were officials from China National Tourism Administration, China Tourist Hotel Association, and university professors. The hotel operators included general managers (GMs) or deputy GMs of independent hotels from twenty-five cities located in sixteen provinces or autonomous regions nationwide. Open-ended questions relating to franchising were used to obtain insights into their attitudes on franchising in economy and midlevel segments. The third step was an integration of the data analyses from the first two steps, resulting in the proposition of a conceptual decision model of franchising adoption by economy and midlevel hotels in China.

The interview was conducted by telephone in 2003. Eighteen of the hotel operators came from economy and midlevel (1-3 star) hotels, with twelve from luxury (4-5 star) hotels. All these hotels had not any franchising experiences. The average working years of the interviewees were 12.9 years, with 7.1 years in current hotels, and 3.6 years on current positions. They represented 28 lodging properties. The state-owned hotels accounted for 57 percent or 22 properties; privately-owned hotels for 14 percent or five units, and others for 29 percent or 11 units. Hotel size was in a wide range from 30 to 428 rooms. Their occupancy rate varied from 55 to 90 percent. The geographic locations of these hotels were widely distributed over all of China.

RESULTS

The key issue tackled by this study is, “given a choice between franchising or not franchising, what factors will affect the strategic selection towards franchising for economy and midlevel hotel properties?” How does a hotel owner or operator know when to choose franchising as the mode of organization? A decision model is proposed on franchising adoption by economy and midlevel hotels in China. The model as illustrated in Figure 2 is based on the analysis of the interview data described above. The decision model consists of four dimensions, each of which is described as follows.

Figure 2
Decision Model on Franchising Adoption



1) Ownership Type of Individual Hotel. It is a unique situation in China that the majority of the properties are still owned by a variety of state agencies. Ten interviewees from state-owned economy and midlevel hotels showed no interests at all in franchising adoption, or had little knowledge about models of chain hotel management. They were more worried about the loss of control on the property or incurring high franchising fee. To the contrary, most of the respondents from none-government-owned properties recognized the advantages to purchase a franchising. To the lodging experts and practitioners in luxury hotels, however, the answer to the question was simple: All individual hotels in economy and midlevel sectors should be in some sort of franchising system.

Decentralized investments in lodging industry resulted in a variety of different types of hotel ownership which until 1999 were listed as state-owned, collective, private, shareholding cooperative, alliance, limited liability, limited liability shares, private owned, foreign funded, and Hong Kong, Macau, and Taiwan-invested (CNTA, 2003). With the complicated ownership structure, there was no congruent agreement on management model for thousands of economy and midlevel properties. As Cai (2004) pointed out, unless the economy hotels are in the hands of genuine owners who care about the return on their own investment, franchising is unlikely to be attractive propositions to fair players. His findings also suggested that with the state ownership neither branding nor reservation delivery was determinant in motivating the Chinese to enter franchising agreements.

2) Owner-Operator's Attitudes. The more positive owner-operator's attitudes and understanding on the product and service quality control, efficient operation, and strategic importance of branding and reservation system, the greater the likelihood that franchising will be adopted. This finding is consistent with Contractor and Kundu (1998a) that the greater the expressed importance of the firm's reservations system and brand, quality control and investment in training as intangible asset signals to prospective franchisees, the greater would be the propensity to franchise.

To most of the economy and midlevel hotel owners and operators, a strong brand name was desirable, as they were struggling to gain some competitive advantages over their rivals. Few of them, however, had the intention to purchase franchising, and they did not seem to have a comprehensible understanding on how a franchise works in lodging industry, the relationship of franchisor and franchisee, the differences of franchising and management contract, and franchising fees' structure. Those respondents who were opposed to franchising for their properties insisted that the location was the utmost important to the hotel's success, branding through franchise affiliation cost too much, and central reservation system was not effective enough to produce profits. Those hotel operators who were open to purchase franchising believed that being a franchisee of a name brand chain would help improve service and product quality, benefit employee training, and increase sales volume and profits. Cai (2004) observed in his study that nationalism and perceived unfairness might be of concern to the owners or operators of the economy hotels in China due to their limited experience in negotiating franchising agreements. To address these concerns, trade associations may offer educational workshops, and franchisors should pay more attention to demonstrating success stories of their local franchisees.

3) Competitive Environment. Porter (1998) stated that all things in the "outside" world can impact an organization's ability to succeed. They include competitors, suppliers, large customer groups, regulators, economic trends, public opinions, and industry issues, to name just a few. However, in a society that is still transitioning to the market economy, political structure and local protectionism should also be considered. Two respondents indicated that their hotels were very unlikely to adopt franchising because they had a guaranteed supply of businesses from numerous government agencies. Protectionism in some areas, especially in those undeveloped regions, still exists as the barrier to the operation of free market mechanism. A few respondents also suggested that franchising would not be popular with those hotels that depended on tour operators to fill their rooms. Tour operators had an upper hand in price negotiations with these hotels. The respondents believed that franchising would restrict their freedom to adjust prices in order to compete for group business. The competitive environment, or the lack of it, should be examined in the unique context of the transitional nature of China's society and economy.

4) Geographic Location. The factor of geographic location in China is tantamount to the degree of economic development of a region. Contractor and Kundu (1998a) indicated that the propensity to franchising in a particular hotel property is positively associated with the level of economic development of the host country market. The more prosperous the market, the greater is the likelihood of franchising being used as a mode over company-run operations.

China's economy is very diverse, with the coastal regions and urban centers more developed than the interior regions and rural areas. The respondents concurred that the demand for franchising was more likely and higher in the coaster regions, such as the Yangtze River Delta, and capital cities of provinces. More than ten respondents stated that franchising was not appropriate to the individual hotels located in the undeveloped west regions and rural areas.

Franchising in the Chinese context is not simply a business format. It is an experimental process mingled with political and social implications and consequences. Until five years ago, local adaptation by economy and midlevel lodging properties was limited to varying their business practices and operational methods, while leaving the ownership and organizational structures fairly invariant across areas with different economic development levels. Today, the modal choice issue has gone beyond the internalized operations. A sustainable franchising agreement could only be reached and implemented by taking into consideration the ownership type of individual hotel, owner-operator's attitudes, competitive environment, and geographic location.

CONCLUSION AND LIMITATIONS

There has been much talk about the role of franchising in shaping the future of China's economy and midlevel lodging segments. Yet, attempts are rare to evaluate the factors contributing to franchising adoption. This study represented an initial inquiry into the attitudes towards franchising system from the perspectives of hotel operators and industry experts. The four dimensions of the proposed model should be useful for economy and midlevel hotel companies, both multinationals and home-grown firms, to set up broad parameters in developing their expansion strategies through franchising in China. The findings from the literature review should be informative for the potential franchisees to understand and appreciate possible motives of their potential franchisors.

The data used in the study was collected from a small group of lodging industry experts and practitioners. The selection of the respondents was convenient, and therefore did not represent the population or any specific segment of the independently operated economy and midlevel hotel properties. The proposed model will need to be examined with additional empirical data and a more representative sample. It should be modified and enhanced on a continual basis as China continues its transformation to an economic system that is increasingly driven by market demand and supply.

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TRENDS IN TOURISM ACCOMMODATION INVESTMENT IN AUSTRALIA

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ABSTRACT

The accommodation sector is an important component of the Australian Tourism industry and contributes around \$2.9 billion to the tourism gross value employs around 97,300 or 18% of all tourism employees annually. Despite this important economic contribution, there is a general lack of information on the investment trends in this important sector of the tourism industry. This paper highlights the past investment trends and factors that have affected those investment decisions during the last three decades, and provide estimates of future investment needs for the next ten years to meet the likely future demand. The future estimates of accommodation needs and likely required investment will assist in formulating appropriate policy measures to minimise the boom-bust investment cycle that has often plagued the accommodation sector in the past; and assist the industry in better investment decision making by providing quality data and information. Forecast shows that over the next ten years around 52,800 new hotel, motels and guest house rooms will be required to meet the expected tourism demand by 2013 and around \$5.3 billion new investment will be required to construct those extra facilities. The historical patterns of investment in the sector suggest that this expected requirement for new investment is readily achievable under current industry and government policy settings.

KEYWORDS: Accommodation, Investment Trends, Australia

INTRODUCTION

Australia's vast geography and wide spread human settlements across its' majestic land required people to travel for business and other purposes since the early days of the colonial settlements. Accommodation had to be provided for the miners, shearers, construction workers who built the roads and railways as well as for the public servants who had to travel across the vast land of this country for business and other purposes. In those early days the tourism accommodation was mostly in the form of pubs, inns or motels. However, as the population and their income grew, people's need for travel, travel patterns and their taste for holiday and accommodation needs also changed over time.

The industry responded to this changing demand by providing increased and diversified accommodation facilities, ranging from budget motel to high quality and international standard luxury hotels and resorts. Today the accommodation industry encompasses a range of accommodation styles such as hotels, motels, resorts, serviced apartments, bread and breakfasts, farm stays and caravan parks. The sector has also become an important component of Australia's \$73 billion tourism industry - tourists consume \$7.2 billion in accommodation services each year. The latest Australian Tourism Satellite Account (ATSA 2003-4) shows that in 2003-04 the accommodation sector's gross value added reached \$2.9 billion, a 21% increase on the \$2.4 billion figure in 1997-98. The accommodation sector is also a large provider of tourism jobs and employed 94,200 people or around 18% of all tourism employees during 2003-04. This employment represents around 1% of Australia's total workforce.

Despite this important economic contribution, there is a general lack of information on the investment trends in this important sector of the tourism industry. The objectives of this paper are to:

- review the past investment trends and factors that have affected those investment decisions during the last three decades from 1970 to 2003; and
- provide estimate of future accommodation investment needs for the next ten years to meet the likely future demand.

It is expected that findings of this paper will help inform debate about the future investment needs of the accommodation sector.

The paper is organized as follows. Section I reviews the past investment trends in the Australian accommodation sector and factors that have influenced those investment decisions during the last three decades from 1970 to 2000. Section II discusses current performance of the accommodation market focusing on demand and supply issues and how they have influenced investment decisions during the last three years from 2001 to 2003. Finally, Section III develops a model to predict the likely future demand for hotel, motel and guesthouse accommodation and likely investment required to construct those facilities for the next ten years. The methodology and assumptions behind the model are also discussed in this section.

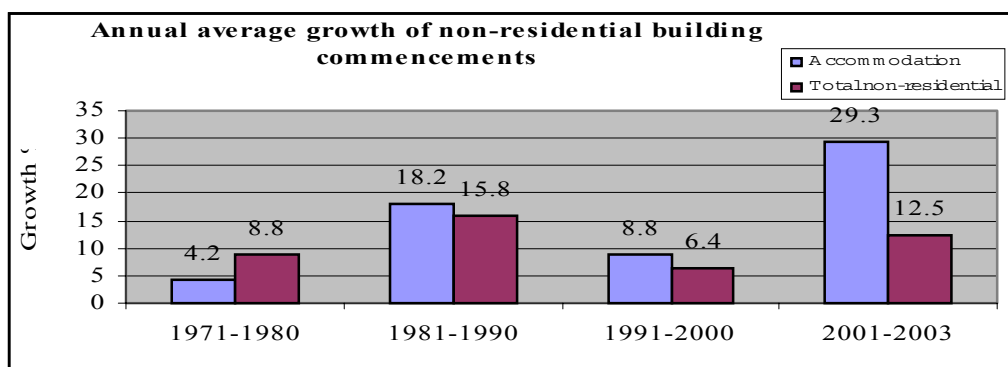
Investment During The Last Three Decades

The level of investment and the stock of tourism accommodation have increased significantly during the last three decades, mainly due to significant increase in international tourism. Australia now has a diverse stock of accommodation facilities ranging from caravan parks and country town motels to high quality international standard hotels and resorts in cities and regions across the country. However the transition from heavy reliance on domestic visitor to a rising international visitor has not been very smooth due to fluctuation in international arrivals, which in turn has affected tourism demand and investment intention.

Accommodation investment in this paper has been measured by the value of accommodation commencements published by the Australian Bureau of Statistics (ABS cat 8752). Figure 1 shows the annual average growth rates of the value of non-residential building and accommodation commencements during the last three decades. The accommodation commencements involve buildings primarily providing short term or temporary accommodation and includes serviced apartments, hotels, motels, cabins, youth hostels and lodges. The value of accommodation commencements includes all new and refurbished accommodation facilities in Australia.

Data shows that the growth in the value of accommodation commencements has greatly outgrown the total non-residential building commencements during the past two decades (Figure 1). The annual average growth rate of the value of accommodation commencements during the 1970s was 4.2%, compared to 8.8% for total non-residential buildings. During the building boom of the 1980s the accommodation commencements growth was 18.2%, compared to 15.8% for total non-residential building.

Figure 1
Annual Average Growth Rates Of The Value Of Building Commencements, 1971-2003



Source: Building Activity, ABS cat 8752

Despite the external shocks and the reported over supply of accommodation that has been affecting the tourism industry since 2001, the annual average growth of the value of accommodation commencements has been double that of total non-residential buildings during the last three years, with the value of accommodation commencements increasing from \$500 million in 2001 to around \$900 million in 2003. It should be noted that the last three years data might not be a good comparison with the commencement growth of earlier decades. This high growth rate could be a temporary phenomenon and over the long run (ie during the next ten years) the annual average growth rate of the value of accommodation commencement could return to its historical average rate of around 10% per annum.

Investment Trends During 1970 To 2000

Investment decisions are often based on a number of economic and non-economic factors such as expected rate of returns, level of current and future expected demand, and other external economic conditions such as changes in interest rates, exchange rate fluctuations and likely domestic and world economic growth, all of which will have an impact on tourism demand and investment decisions. This part examines some of these factors that have affected tourism investment during the last 30 years.

Commencements during the 1970s

Figure 2 shows the trends in the value of accommodation and total non-residential building commencements from 1970 to 2003. It shows that over most of this period accommodation building commencements have been volatile, but have moved in a similar pattern to the rest of the non-residential building sector. The value of accommodation commencements during the 1970s was relatively less stable compared to the total non-residential building sector and declined from \$112 million in 1970 to a low of \$58 million in 1975 (down by around 47%) before rising to around \$106 million in 1979 (Figure 2).

Commencements during the 1980s

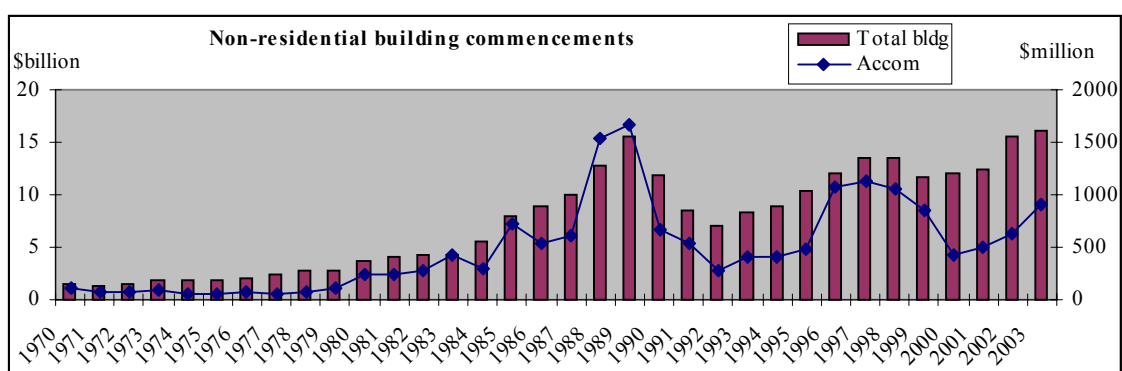
Value of accommodation commencements increased by around 600% during 1980s, up from only \$240 million in 1981 to an all time high of around \$1.7 billion in 1989 (Figure 2). As mentioned earlier, the annual average growth rates of the value of accommodation

commencements during this decade was 18.2%, compared to 15.8% for total non-residential building commencements. Several economic and non-economic factors affected this phenomenal growth of building commencement during this period.

Some of the economic factors were:

- The deregulation of Australian banking sector in 1985 substantially increased competition in the sector². A number of overseas banks received license to operate in Australia and many State banks, previously involved mainly with residential property market, expanded their scope to increase their market shares. All of these developments had an impact on increasing the availability and reducing the cost of investment funds;
- depreciation of the Australian dollar, especially in relation to the Japanese Yen, attracted a significant amount of Japanese investment to Australia. The Japanese investors were the major contributors to development and investment in Australian hotels during the 1980s. For example, Japanese investment increased from around \$1.2 billion in 1986 to more than \$3.5 billion in 1989, an impressive growth of more than 190% during this short period. During the 1980s Japan was also the largest foreign investor nation in Australia and accounted for more than 70% of all foreign investment in tourism;
- expected net income from increased property investment that was influenced by a buoyant Australian economy and increased tourism demand through a steady rise of international and domestic visitors. For example the number of international visitors to Australia increased by more than 25% during 1985 to 1989 (Figure 4), and the hotel occupancy rates increased by 8 percentage points from 1983 to 1988 (Figure 3); and
- the expectation of substantial capital gains as asset prices were rising, specially after the 1987 stock market crash that led many investors to move their funds away from shares to property market, including the accommodation sector. This led to increases in property prices and the expectation of further increases attracted more investment.

Figure 2
Trends In Non Residential Building Commencements, 1970 To 2003



Source: Building Activity, ABS cat 8752

² Between 1983 and 1985 the then Treasurer the Hon Paul Keating deregulated the Australian monetary system by (a) floating the Australian dollar in December 1983; (b) granting 40 new foreign exchange licences in June 1984; and (c) granting 16 banking licences to 16 foreign banks in February 1985.

Investors commencing construction during this period would have been influenced by these factors. In addition to the above-mentioned economic factors, other events that affected tourism demand and investment growth in Australia during the 1980s were:

- significant relaxations in foreign investment policy in Australia. In 1986 the Australian Government made a number of changes to its foreign investment policy in Australia. For example, the net benefits test and the Australian equity requirements for takeovers and new businesses in tourism sector were suspended. Foreign investment proposals were to be automatically approved unless they were deemed contrary to the national interest; and
- expected tourism growth, both international and domestic, due to the Australian Bicentennial celebrations and the Brisbane World Expo in 1988.

All of these factors positively influenced investment decision during the 1980s with the value of accommodation commencements reaching an all time high of \$1.7 billion in 1989.

Total foreign investment in tourism also increased by more than 300%, up from \$1.2 billion in 1986 to around \$5 billion in 1989. Japan was the main source of investment and provided more than \$3.5 billion or 70% of total foreign investment in 1989. Other source countries in 1989 were Singapore (6%), Malaysia (2%), United States of America (3%), Hong Kong (8%), United Kingdom (2%) and New Zealand (1%).

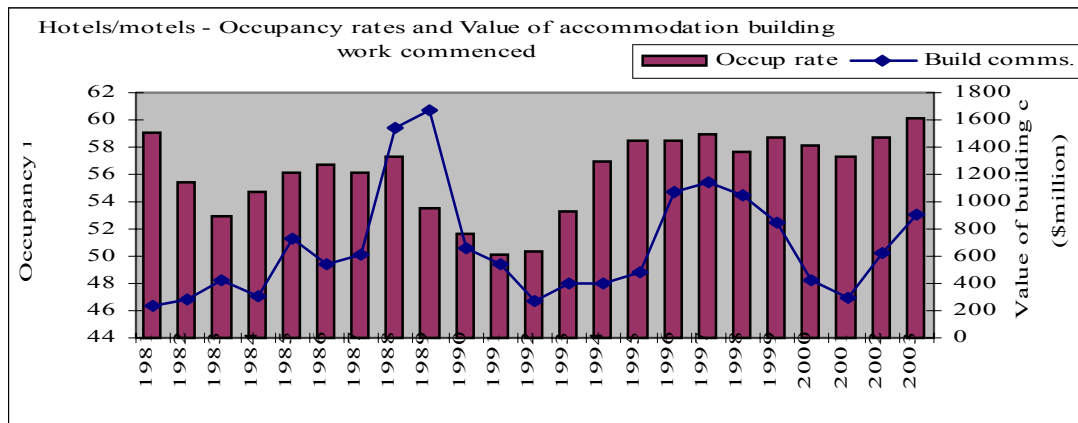
Commencements during 1990s

Tourism investment decisions during this decade were influenced by a number of factors and they include:

- reduced growth of international visitors, compared with the period up to 1988-89;
- the economic recession of the early 1990s;
- the adverse effects of first Gulf war on international travel;
- the aftermath of high interest rates on debt laden businesses in Australia;
- the reduction in level of foreign investment, specially Japanese investment as Japanese financial institution came under pressure from falling property and equity prices in Japan;
- sale of existing accommodation properties, mainly to Asian investors from Singapore, Malaysia and Hong Kong, at prices below replacement value during early part of 1990s; and
- Sydney winning the right to host the 2000 Olympic and Paralympic Games.

Following the 1980s property boom, the value of accommodation commencements declined considerably in the late 1980s, mainly due to a substantial rise in interest rates (interest rate in Australia reached a high of around 17% in 1989) and a significant drop in international visitor arrivals. Overseas visitor arrivals growth declined from a high of around 25% per annum in 1986 to a negative 8% in 1990, due to the domestic pilots strike in 1989, as shown in figure 4 (international tourism arrivals to Australia were booming in 1980s peaking at 25% per annum growth between 1986 and 1989). These two factors, coupled with the economic recession in early 1990s had a negative impact on overall tourism demand and reflected in lower occupancy and room rates, as shown in Figure 3.

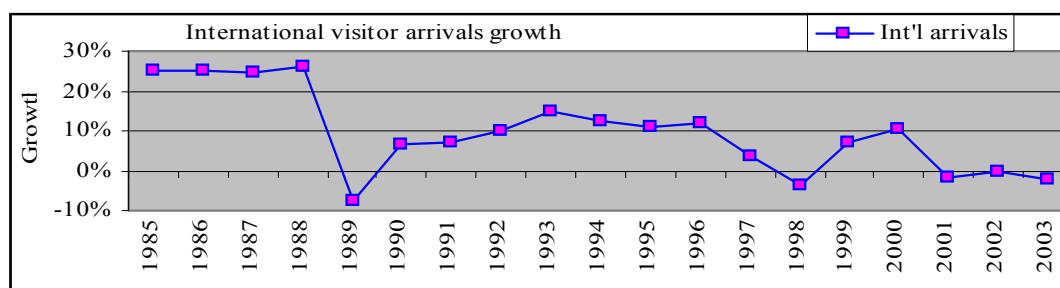
Figure 3
Occupancy Rates And Value Of Accommodation Building Commencements



Source ABS Cat. 8752 and 8635

This softening of demand and the devastating effect of the high interest rates of late 1980s resulted in large numbers of insolvencies and receiverships, involving both hotel management companies and individual hotel operators in Australia. Furthermore, the availability of accommodation properties at prices considerably below their replacement costs in early 1990s also led investors to reappraise their investment intentions during this period. The result was a significant fall in the value of accommodation commencements from the high of around \$1.7 billion in 1989 to only \$270 million in 1992 (Figure 3).

Figure 4
International Visitor Arrival Growth, 1985 To 2003



Source: ABS cat. 3401

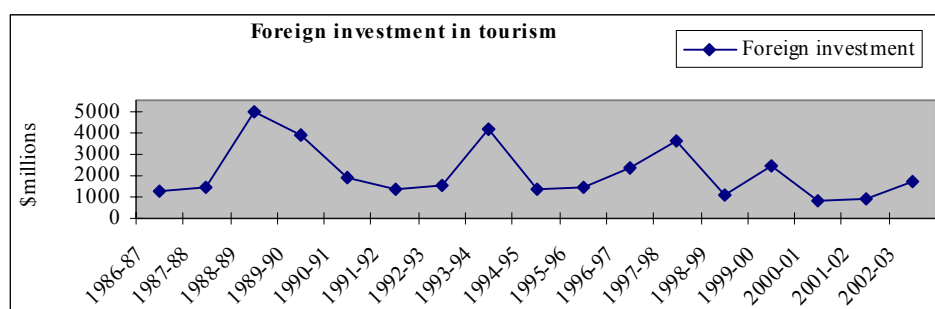
Accommodation building commencements started to rise in 1993 when the International Olympic Committee announced Sydney as the winning city to host the 2000 Olympics. The gradual recovery of the economy and the expectation of Olympic generated demand started to be reflected in an increase in the value of commencements, from \$270 million in 1992 to more than \$400 million in 1993 and reached a pre-Olympic peak of \$1.2 billion in 1997 (a 340% increase between 1992 to 1997).

The gradual recovery of the domestic economy and the expected gain from the 2000 Olympic Games also attracted an influx of foreign investment (Figure 5). For example, in 1993-94 total foreign investment in tourism increased by more than 180% to around \$4.2 billion, compared to \$1.5 billion in 1992-93. This was the second highest increase in foreign investment in tourism, after the record high of around \$5 billion in 1988-89 (ie during Australia's Bicentennial celebrations and the Brisbane World Expo). Investment from Asian countries such as Singapore (up by 8000%), Malaysia (up by 1800%) and Hong Kong (up by 30%) increased significantly over the year. These investors were attracted not only by the prospect of the Olympic gains but also picked up significant bargains during the aftermath of high interest rates of late 1980s (the interest rate peaked at around 17% in 1989), when many hotels were sold at bargain prices.

Although there was a drop in overseas investment in 1994-95, Australia's stable socio-political environment and strong economic growth continued to attract overseas investors. Total foreign investment in tourism increased from \$1.3 billion in 1994-95 to around \$3.6 billion in 1997-98 (up by 176%). Largest growths in foreign investments were from the United States of America (up 200%), Germany (up 200%), France (up 650%), Singapore (up 22%), Malaysia (up 75%), New Zealand (225%) and United Kingdom (up 1200%). However, investment from Hong Kong declined by 69% and there was no investment from Japan during this period.

The Asian currency crisis in late 1997 affected the investment climate in the region and reduced the inflow of foreign funds to Australian tourism industry. Total foreign investment declined by around 70%, from \$3.6 billion in 1997-98 to only \$1.1 billion in 1998-99. Investment from all countries declined during this year.

Figure 5
Foreign Investment In The Tourism Sector, 1986 To 2003



Sources: Foreign Investment Review Board annual reports

Following the Asian currency crises there was significant excess capacity in the industry. This was further compounded by low visitor growth. International arrivals declined by around 3.5% and domestic visitor growth declined by 1.1% in 1999. The low demand and availability of excess supply led to a fall in accommodation investment in late 1990s. Value of accommodation commencements declined from the pre-Olympic boom of \$1.2 billion in 1997 to only around \$425 million in 2000 (down by 66%).

Patterns in regional investment in 1990s

The pattern of accommodation building commencements has varied considerably between the States and Territories. Historically the most populous States of New South Wales, Queensland and Victoria attracted the bulk of commencements. However with the growth of niche and regional tourism, the smaller States and Territories have been attracting a significant portion of total accommodation commencements more recently.

As shown in Table 1, the share of the value of total accommodation commencements has remained unchanged for the ACT, NSW and Victoria during the pre-Olympic (1990 to 2000) and post Olympic (2001-2003) periods, but declined considerably in Queensland. Smaller States such as South Australia and Western Australia have attracted a significant share of total commencements although there have been modest increases in Tasmania and in Northern Territory. The changing building commencements trend indicates changes in travellers' taste over the period and the need to provide more boutique and exotic accommodation facilities in regional areas. The 5 star rated luxury safari camp *longitude 131* in Uluru, that was build in 2002 with around \$10 million, is an example of this kind of investment in regional Australia.

Table 1
Shares Of The Value Of Accommodation Commencements By States – 1990 To 2003

States	Share of total non-residential building commencements during 1990-2000 (%)	Share of total non-residential building commencements during 2001-03 (%)
NSW	37	36
VIC	19	19
QLD	31	20
SA	2	6
WA	7	13
TAS	1	2
NT	2	3
ACT	1	1
Total	100	100

Source: ABS cat 8752

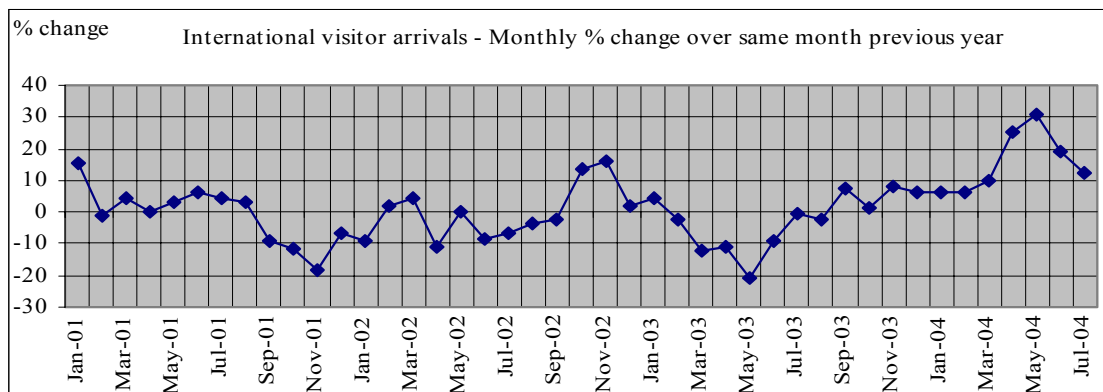
SECTION II

Current state of Investment in Accommodation

In order to speculate the emerging trends for future tourist accommodation investment one needs to reflect on what is happening now and what has occurred more recently. The previous section reviewed the investment trends during the last three decades. In this section, the paper reviews the current investment trends covering the post-Olympic period and the recent events that have affected tourism demand and investment.

The industry has been severely affected by a number of external shocks during the past few years. For example the collapse of Ansett Airlines, the events of September 11 in 2001, the Bali bombing in 2002, the effect of SARS and the Iraq war in 2003. All of these events have had some degree of negative impact on tourism growth and accommodation demand in Australia.

Figure 6
Monthly Change In Overseas Arrivals To Australia, January 2001 To May 2004



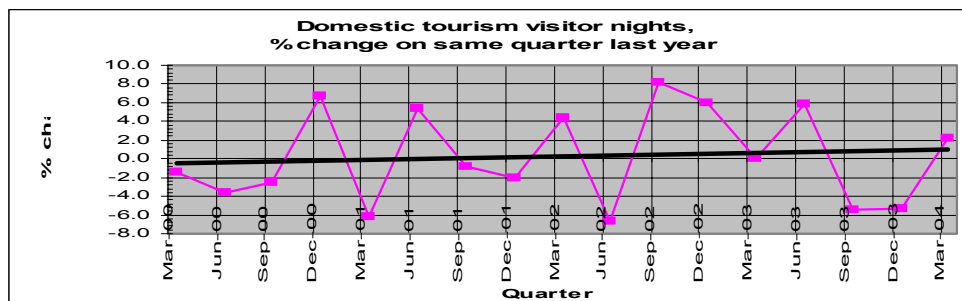
Source: ABS cat 3401

Australia has experienced negative growth of inbound arrivals during the last three (2001-03) years (Figure 4). Following the strong positive growth up until 2001, international visitor nights have declined by 0.1% in 2002 and by 2.6% in 2003. Expenditure by international visitors also declined by 3.7% in 2003, after recording a positive growth in 2002. Overseas arrivals growth has been improving recently (Figure 6) with total arrivals reaching an all time high of 5.1 million visitors in the twelve months to July 2004 (surpassing the previous high of 5.06 million visitors in the twelve months to August 2001, which included the 2000 Olympic period).

The trend in domestic tourism has been flat in recent years. Although there have been some quarterly increases, total domestic visitor nights have recorded negative growth in all but one year during the last four years from 2000 to 2003 (Figure 7). In 2003, total domestic visitor nights declined by 1.5%, with business travellers (down by 6.9%) and holiday makers (down by 2.5%) recording the strongest declines. Similarly domestic visitor expenditure has also been fluctuating and declined by 1% in 2003.

In the case of hotel occupancy rates, there has been some volatility. After a fall in occupancy rates following the Sydney 2000 Olympic Games, latest figures show that the room occupancy rates have begun to rise again- albeit slowly (Figure 3).

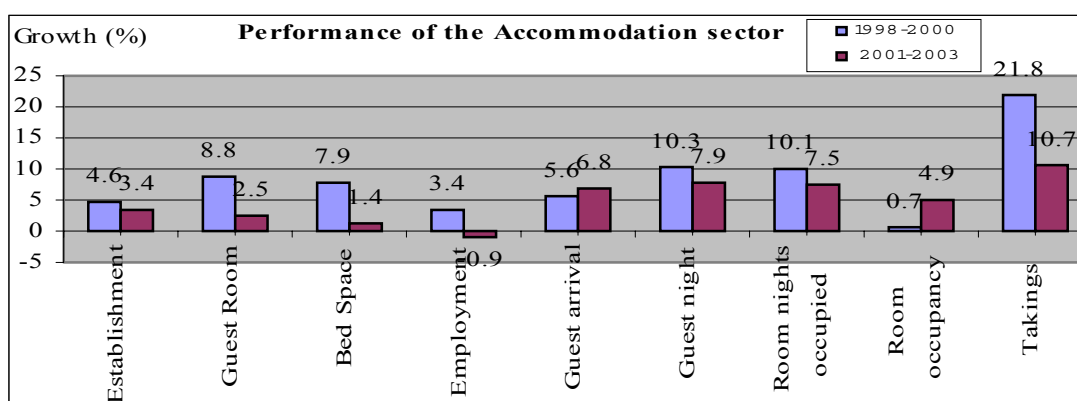
Figure 7
Changes In Domestic Visitor Nights, March 2000 To March 2004



Source: NVS, BTR

This fluctuating demand has affected the performance of the accommodation sector. Data shows that key performance indicators of the accommodation sector have grown relatively mildly during the post Olympic period (2001-2003), compared to the pre-Olympic period (1998-2000), as shown in Figure 8.

Figure 8
Performance Of The Accommodation During Pre And Post-Olympic (1998-2000 And 2001-2003) Periods



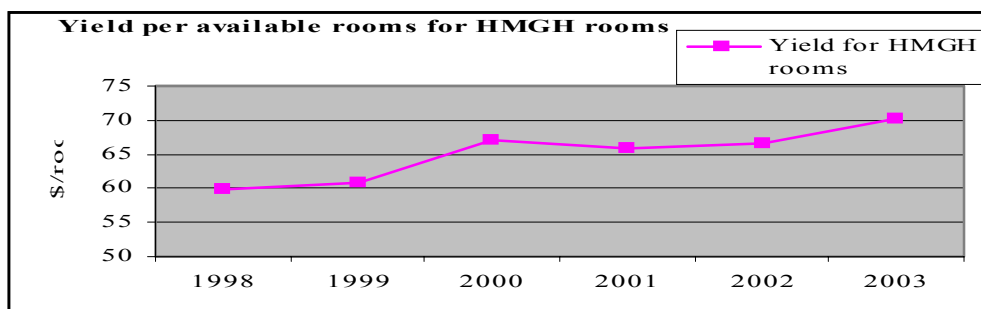
Source: ABS Cat 8635

Figure 8 shows that although total guest arrivals and room occupancy have grown stronger during the last three years, but room nights occupied and total takings have grown slower in recent years, compared to pre-Olympic period. This indicates substantial discounting in room rates in the industry during the turbulent periods over the last three years.

For investment decision-making, an investor would be interested in growth of yield per room, as opposed to growth in takings per room. Figure 9 shows changes in yield per available room for the hotel, motel and guesthouse with 15 or more rooms for the 1998 to 2003 period. The yield is defined as the average takings per available room. During the last six years the yield per available room for the hotels, motels and guesthouses (HMGH) sector has increased by

around 17%, from around \$60 per available room in 1998 to around \$70 per available room in 2003.

Figure 9
Yield Per Available Room For The Hotels, Motels And Guesthouses; 1998-2003



Source: ABS, Cat 8635

Although the nominal value of the yield per room has grown considerably over the last few years (Figure 9), but an investor would be more interested in real yield per room for investment decision. Table 2 shows a comparison of the annual average growth of yield per available room and the Consumer Price Index (CPI) during the pre-Olympic and post Olympic period. This comparison gives an indication of growth in real yield (ie the difference between the nominal yield and the CPI).

Table 2
Annual Average Growth Of Yield Per Available Room And The CPI, 1998 To 2003

Annual average growth by category	1998-2003	1998-2000	2001-2003
	%	%	%
Hotel, motel and guest houses	3.0	5.8	3.1
Consumer Price Index (financial year)	2.8	1.8	2.9
Real yield per available room in HMGH sector	0.2	4.0	0.2

Source: ABS cat 8635 and cat 6401

Table 2 shows the comparison of the annual average growth of CPI and the yield per available room for the HMGH sector. The annual average rate of growth of yield per available room has been around 3% during 1998-2003, compared to 2.8% growth of CPI. This implies that the growth of real yield per available room has been positive, and grown by an annual average of around 0.2% during the last six years.

The growth in real yield, however, has been very strong during the pre-Olympic period (1998-2000), as shown in column 2. This indicates relatively higher demand for accommodation and higher room rates during the Olympic period by domestic and international visitors.

Despite various external shocks that have affected the tourism industry in recent years, the annual average real yield per available room has increased by around 0.2% per year during the last three years (2001-2003).

Thus, despite the external shocks and negative visitor growth during the last three years, real yield per available room has been growing positively, albeit slowly. As a result, accommodation-building commencements have been growing. For example the value of total accommodation commencement has increased by around 80%, compared to 28% growth for the total non-residential building commencements between 2001 and 2003.

Table 3 shows the growth in value of accommodation commencements during the pre and post Olympic periods by States and the Territories. First column of Table 3 shows growth of the value of commencement from 1997 to 2000. The significant negative growth during this pre-Olympic period is due to the fact that value of building commencements peaked in 1997 and dropped to its lowest in 2000, when most of the Olympic related construction activities were completed. Column two of Table 3 shows the growth of the value of commencement from 2001 to 2003. It shows that commencements have increased in all States, except South Australia and the two Territories. Commencements in Tasmania have been increasing in both periods.

Table 3
Growth In Value Of Accommodation Commencements By States, 1998 To 2003

STATES	Commencement growth from 1997 to 2000	Commencement growth from 2001 to 03
	%	%
NSW	-75	122
VIC	-70	27
QLD	-48	94
SA	-16	-40
WA	-65	209
TAS	106	282
NT	-18	-56
ACT	256	-88
Total	-63	80

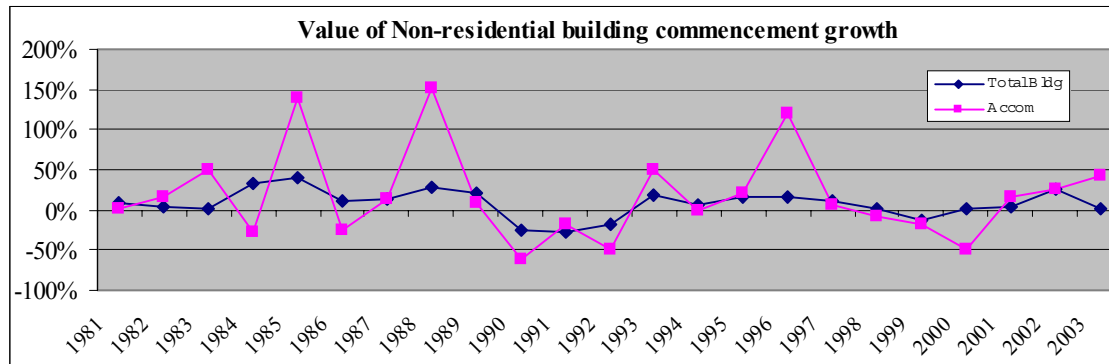
Source: ABS Cat 8752

Accommodation commencements have also been growing relatively stronger than the non-residential building sector during the last three years from 2001 to 2003. Value of accommodation building commencements has increased by an annual average of 29.3% per year, compared to 12.5% for total non-residential building commencement during 2001-03 (Fig1).

Along with building commencements, foreign investment in tourism has also increased from \$780 million in 2001 to over \$1.7 billion in 2003 (up by around 180%). During this period investment increased mainly from Japan (up by more than 1000%), United States of America (up by more than 100%), and Singapore (up by 18%). However, foreign investment declined from New Zealand (down by 100%), United Kingdom (down by 75%) and France (down by 90%) during the last three years to 2003.

Sydney 2003 Rugby World Cup, Australia's stable macroeconomic settings along with its strong economic growth, strong consumer confidence, and positive growth of visitor nights and room occupancy rates are some of the factors that have contributed to this continuing growth of investment in the accommodation sector in Australia.

Figure 9
Value Of Non-Residential Building Commencement Growth



Source: ABS cat 8752

SECTION III

Future Investment Needs

Investment is one of the essential components for continuing growth of tourism. How fast the tourism industry grows can also be gauged, in addition to visitor growth, by the rate at which investment takes place. Tourism investment is undertaken by both private and public sectors to construct facilities that would benefit the industry. Public sector investment in the industry could include construction of infrastructure facilities such as roads, bridges, port facilities, and airports. Private sector investment could include construction of accommodation facilities, golf courses, resorts and the like. For the purpose of this paper the investment forecasts have been limited to focusing on the hotel, motel and guesthouse sector.

The Model

There are not many studies that attempted to predict long term supply need for accommodation and the required investment, particularly for Australia. Previous studies include the report *The Sydney and Environs Accommodation Supply and Demand Study*, prepared for the New South Wales Tourism Olympic Forum (Olympic Forum 1994) and a report by the Productivity Commission (PC 1996). The methodologies used in these studies are similar to Choy (1985). These studies assumed long-run occupancy rate, and constant growth rate to forecast accommodation needs in Sydney. However, these studies only predicted the expected room requirements and did not quantify amount of likely investment required to construct those expected rooms.

The accommodation investment forecast model developed in this paper uses similar methodologies but extends the model to include the room construction cost to predict the likely annual investment requirement for the industry. The model is produced through a four stage equations, as shown below. We know that a typical room occupancy rate is a function of the room nights occupied over the number of rooms and the number of days in the period. In mathematical form the room occupancy rate equation is:

$$OC_{it} = RNO_{it} / R_{it} T \quad (1)$$

where OC_{it} denotes room occupancy rates; RNO_{it} denotes room night occupied; R_{it} is the number of rooms; and T is total number of days in the period that is required to calculate the occupancy rates, t is time and i is the number of observations that runs from 1 to n^{th} observation.

Solving for total number of rooms we get:

$$\text{or } \sum_{i=1}^n R_{it} = \sum_{i=1}^n RNO_{it} / OC_{it} T \quad (2)$$

where R_{it} denotes number of rooms in period t . In addition to rooms, a typical hotel also requires construction of ancillary facilities such as shower, toilet, gymnasium, restaurant/bar or coffee house, lounge, foyers, corridors, staircase etc. Incorporating these extra facilities the total equivalent room space equation is:

$$\sum_{i=1}^n Rm_{it} = \sum_{i=1}^n R_{it} (1 + \omega_{it}) \quad (3)$$

where Rm is the total number of equivalent room space and ω is the extra floor space required per room.

Construction of an accommodation establishment involves fixed cost as well as variable costs per room. For the purpose of this exercise it has been assumed that total construction cost (both fixed and variable) increases in line with the non-residential building construction price index over time. Thus the investment equation becomes:

$$\sum_{i=1}^n I_{it+n} = \sum_{i=1}^n Rm_{it} \lambda_{it} (1 + \delta_{it+n}) \quad (4)$$

where I denotes total investment, λ construction cost per room and δ non-residential building construction price index, t is time period, and n runs from year zero to infinity.

Scope of the study and data sources

As mentioned earlier, this paper focuses on the accommodation sector investment only. The scope of this paper has further been restricted to the long-term investment forecast of hotels, motels and guesthouses (HMGH), due to limitations in visitor night and construction cost data.

Visitor nights data

The Tourism Forecasting Council (TFC 2004) produces long-term forecasts of visitor nights in hotels, motels and guesthouses (HMGH). But for the purpose of modelling we need room nights occupied data. The TFC's forecast of visitor nights data has been used to predict the room nights occupied in HMGH over the forecast period.

Construction cost data

The construction cost of accommodation facilities varies according to the star grading, location and quality of room inclusions. For example, the quality of fittings and fixtures (eg washing sink, taps, toilet facilities and carpet in the room) in a 5 star rated facilities will be of higher quality, compared to a lower graded four or three star hotel.

Hotel construction cost will also vary according to room size. Higher grade facilities are normally required to construct larger rooms which invariably increases the construction cost due to extra floor space, shower, toilet and other extra amenities such as restaurants and bar, gymnasium, larger corridor, foyer etc, compared to a lower grade hotel.

In recent years 4 star rooms have contributed the bulk of total hotel, motel and serviced apartment supply. For example 4 star rooms constituted 44% of this supply, compared to 33% in 3 star and only 11% in 5 star categories during December quarter 2003. But due to the lack of construction cost data for 4 star rooms, the investment forecasts in this paper used 3 star construction cost data. For example Davis Langsdon Australasia (DLA 2004) publishes hotel construction cost data by major Australian cities for 3 and 5 star grade hotels, but not 4 star hotel rooms. It has not been possible to source the construction cost data from other sources.

Estimation Methodology

The forecasts produced in this paper are based on an analysis of demand, and current and likely future supply responses. Historical supply and demand relationships have been reviewed from the data collected from the ABS and the TFC. The raw data have been analysed to identify changes in demand and supply and the necessary investment required to meet that demand in the outer years.

The demand forecasts are primarily based on the annual international and domestic visitor nights for hotels, motels and guesthouses (HMGH) forecasts produced by the TFC. The visitor nights data have been used to estimate the room nights occupied (measure of demand) data for the HMGH sector. The visitor nights data has been sourced from the TFC and the room nights occupied data for HMGH establishments with 15 rooms or more has been sourced from the *Tourist Accommodation* published by the ABS (ABS cat 8635).

Historical analysis shows that on average, the visitor nights data have been 2.8 times greater than the room nights occupied in the HMGH during the last six years from 1998 to 2003. The exception was in 2001 when this ratio was 2.9, due to a 1.45% decline in room nights occupied. The average number of persons per occupied room in the HMGH sector has been around 1.8 during this period. During the same period the occupancy rates in the HMGH have ranged from 56.5% to 58.2% per year and the six years average has been around 57.5%. It is important to note that this period (1998 to 2003) covers the Olympic generated extra visitor growth as well as the post Olympic downturn due to various external instabilities that affected tourism growth and the accommodation demand.

Assumption 1

Based on this past trend it has been assumed that during the forecast period:

- a) average number of persons per occupied room in the HMGH sector will continue to be around 1.8 persons;
- b) the visitor nights will continue to be 2.8 times greater than the room nights occupied in HMGH; and
- c) the average equilibrium occupancy rates in the HMGH sector will be 57.5%.

Based on the above assumptions, the number of room nights occupied and the required room supply has been estimated for the period to 2013 (equation 2).

The approach to construction costs has been to standardise this to a three star hotel with standard room fittings and services. Industry analysts have advised that normally a three star hotel will have around 30 square meters gross floor area per room. Analysts also advised that on average an additional 25% to 30% of extra floor space per room is required for amenities such as restaurants and bar, gymnasium, corridor, foyer, stairs etc. Thus the equivalent floor space required for a 3 star hotel will be around 37.5 square meters (30 square meter floor space per room, plus 7.5 square meter equivalent floor space per room for extra amenities as mentioned above).

The construction costs data has been sourced from Davis Langsdon Australasia (DLA 2004) using estimates for the 3 star grade and then averaged from data on major Australian cities. DLA also publishes nation wide average per square meter hotel construction cost data for engineering services such as mechanical, electrical, fire, transportation and hydraulics. These two sets of data (construction and engineering services) have been combined to derive per square meter construction cost data for the investment forecast (equation 4).

Data provided by DLA shows that the nationwide average construction cost for a 3 star hotel room during 2003 was around \$2615 per square meter. Thus the average construction cost for a 3 star hotel is assumed to be around \$78,450 per room. This measure of costs is the nominal value of future building construction costs for the hotel, motel and guesthouse sector. Also this estimated cost per room does not include the land cost.

Hotel construction costs are expected to increase over time due to changes in material prices, inflation and other price pressures. The ABS publishes the construction industries *Producers Price Indexes* data (ABS Cat. No. 6427) which includes a non-residential building (eg hotels, shops, buildings, hospitals, schools etc) construction index. This index has been used to account for future growth in hotel construction costs (equation 4). During the last six years the non-residential building construction cost index has increased by an annual average of around 2.5%.

Assumption 2

Based on the above it has been assumed that for a 3 star hotel room:

- a) will have 30 square meters floor space and will cost around \$2615 per square meters and construction cost will be around \$78,450 per room;
- b) each room will require the equivalent of an additional 25% or 7.5 square meters space per room for extra amenities and will cost an additional \$19,612 per room to construct those extra equivalent floor space; and
- c) building construction cost index will continue to grow by an annual average of around 2.5% per year.

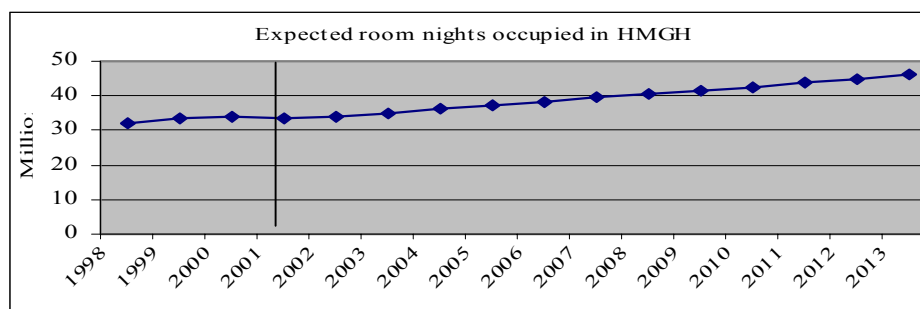
RESULTS AND DISCUSSION

This section discusses the forecast produced by the model, based on the forgoing assumptions, and any investment policy considerations that might be required to meet the expected demand for rooms for the period to 2013. As mentioned earlier, the room supply forecast produced in this paper will assist the industry in better investment decision-making and will assist in developing a sustainable and profitable accommodation market in Australia.

Accommodation demand

The expected growth in tourism from domestic and international sources has important implications for the stock of short-term accommodation in hotels, motels and guesthouses. As mentioned earlier, the TFC's (TFC 2004) forecasts of visitor nights data has been used to estimate the demand for room nights occupied in the HMGH sector by the domestic and international visitors by 2013. According to estimate total room nights occupied in the HMGH sector is expected to grow by annual average 2.6 per cent per year, from 35 millions in 2003 to around 46 million by 2013 (Figure 10).

Figure 10
Expected Room Nights Occupied In The HMGH Sector By 2013



Stock requirement by 2013

The expected number of room nights occupied by international and domestic visitors has been used to help estimate the level of room stock required by 2013. The room supply requirements have been estimated assuming an average equilibrium occupancy rate of 57.5% for the hotel, motel, and guesthouse sector. This equilibrium rate is based on the last six years average occupancy rate for the HMGH sector.

The model has been used to predict the past values and future expected room supply for the sector. Estimated and actual values of HMGH room supply have been plotted in figure 11 to see the goodness of fit of the model. Values for the 1998 to 2003 period are actual room supply and the model has been used to predict the likely room supply for 2004 to 2013 period.

The estimates show that in the long run HMGH room supply is expected to grow by an annual average of 2.6 per cent per year (during 2004 to 2013), to a total stock of around 220,000 rooms by 2013. This equates to a total of around 52,800 extra HMGH rooms by 2013. This is equivalent to some 211 new HMGH facilities at an average of 250 rooms (Figure 12).

Estimate shows that the annual average growth rate of actual and estimated room numbers during the 1998 to 2003 period is similar at around 1.3% per year, which indicates soundness of the model (as mentioned earlier the model has been used to predict past values of room supply as well). The stability of the model is also reinforced by the fact that the actual and estimated number of rooms for the 1998 to 2003 period is very close and provides a good fit for the model (Figure 11).

Figure 11
Expected Total Rooms Required In HMGH Sector By 2013

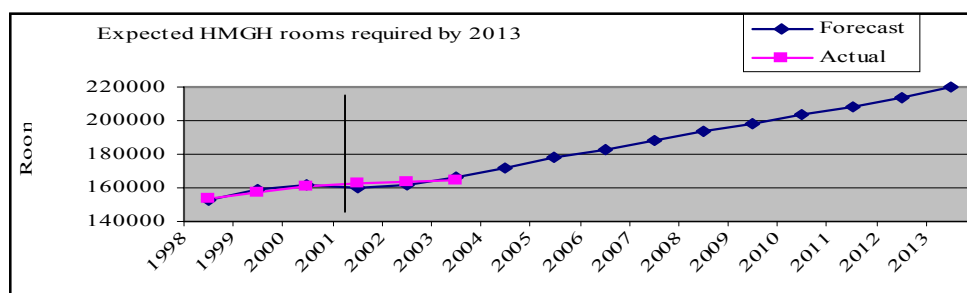
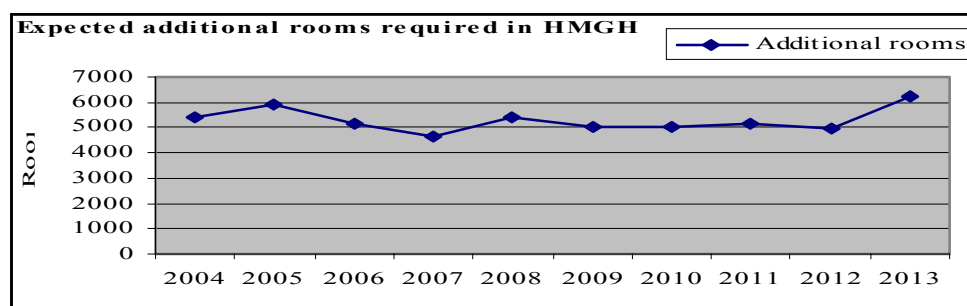


Figure 12
Additional expected HMGH rooms required by 2013



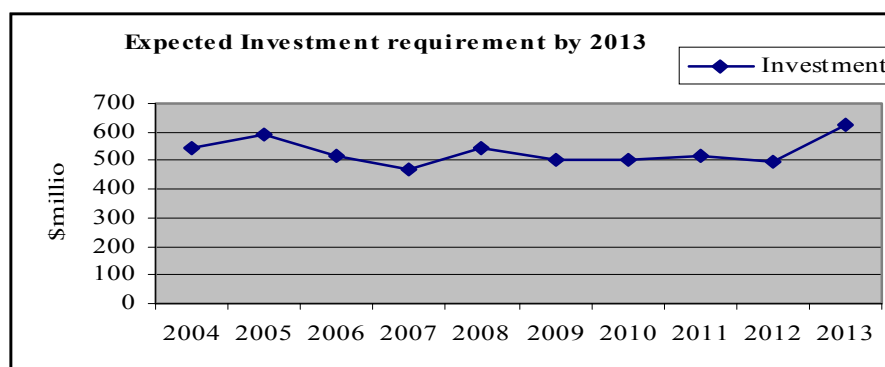
The above forecast assumes a constant growth of demand for room and a steady rate of room yield. The tourism industry is vulnerable to external shocks, as happened during the Asian Financial Crises, the SARS and the Boxing Day Tsunami in 2004, it is plausible that the growth

rates could vary from year to year. However, it is expected that in long run the growth rates will return to its historic average. Accommodation businesses are also expected to adjust their investment decisions in the event of higher than expected demand or yield. If occupancy rate, room demand or yield increases by more than the assumed rate (used in the model), then obviously the industry will need to supply more than the predicted 52,800 rooms to meet the extra demand and vice versa. However, due to lag between hotel construction and hotel opening one would expect a rise in room rate in the short-run, until the market clears.

Investment

The results presented in figures 11 and 12 show significant investment in new stock is required to meet the expected demand generated by the international and domestic visitors. Figure 13 shows the new investment requirement to meet the expected demand for rooms by 2013. As mentioned earlier, during the next ten years a total of 52,800 new HMGH rooms will be required by 2013. In terms of investment levels (equation 4), this new infrastructure equates to around \$5.3 billion of new plant, based on the average construction cost of \$78,450 per room for a three star-graded facility. On average, around \$530 million per year of new investment is expected in the HMGH sector over the next ten years. Investment forecast produced in this paper relates to construction of new hotel, motel and guesthouse rooms only and does not consider refurbishments of existing facilities.

Figure 13
Expected Investment Required In HMGH Sector By 2013



The ABS (ABS cat no 8752) publishes data on the value of building work done in hotels and similar establishments. These establishments include hotels, motels, guesthouses, serviced apartments, boarding houses, cabins, youth hostels, lodges, migrant hostels and other temporary accommodation facilities (the ABS does not publish any separate figure for the HMGH sector). Total value of new investment in constructing these facilities ranged from \$483 million in 2000-01 to \$1.2 billion in 1998-99 and averaged around \$879 million per year over the last seven years from 1996-97 to 2002-03. Assuming the value of building work done in hotels and similar establishments continue to grow by \$879 million per year and the value of new investment in HMGH sector grows by around \$530 million per year (figure 13), then we can expect to see an average of around \$349 million per year new investment to construct accommodation facilities such as serviced apartments, boarding houses, cabins, youth hostels, and lodges (but excluding HMGH sector).

In addition to demand, investment decision will also be influenced by current and expected profitability of the hotel. The hotel profitability on other hand will be dependent on many factors including demand, yield, cost and availability of finance, operating cost and so on³. The yearly profits could vary from year to year, but in long run the hotels are expected to earn the normal rate of return from their investment. The actual rate of return could be higher than the normal rate of return if the accommodation demand grows more strongly than expected and not enough rooms are available. In this situation the investors will need to supply more rooms and the likely investment could be higher than \$5.3 billion that has been forecasted by the model.

CONCLUSION

For a long time the Tourism Forecasting Council (TFC) has been providing authoritative forecast of tourism demand in Australia, but there has been a general shortfall of supply side forecast. This paper has developed a model to predict future supply requirement and the likely investment required to construct those extra rooms. The approach taken in this paper in forecasting the room supply is similar to other studies, but this model incorporates the likely construction cost. The forecasts suggest that over the next ten years around 52,800 new hotel, motel and guest house rooms will be required to meet the expected tourism demand by 2013, and around \$5.3 billion in new investment will be required to construct these extra facilities.

Hotels are long-lived assets and investors need to take a long-term view in allocating their resources. The model developed in this paper is simple and user friendly and could be a useful tool for industry planning and development. The industry planners and developers will be able to use this model to predict the likely capital requirement to construct the expected rooms in any given period. This information will be useful for forward planning and budgeting, especially in the accommodation sector where there is a time lag between construction commencement and the availability of room supply.

The accommodation investment in Australia is generally driven by the private sector with little or no influence from the Government. The Government aims to provide a stable macroeconomic environment (eg low inflation, low interest, good economic growth etc) that underpins a favourable investment climate. Using these measures the Australian economy has performed very well over the last decade (Treasury 2004). The Government however, has provided active support to promote domestic and international tourism. For example in the recent Tourism White Paper (2003) the Government has provided more than \$235 million to support the tourism industry in Australia. This assistance and the on-going promotion of the country by Tourism Australia⁴ aim to increase international visitors to Australia from 5.2 million in 2004 to 9.3 million in 2014. These visitors will need to be provided with additional facilities, including the likely extra rooms. Based on past trends in accommodation investment, it appears that current macroeconomic and tourism policy settings will be sufficient to deliver the required level of investment in the accommodation sector.

³ The model developed in this paper focuses on the likely room requirement and the expected construction cost and has not addressed the profitability issues. For excellent discussion on this issue see Carey (1992) and Choy (1985).

⁴ Tourism Australia is Australia's statutory body responsible for the promotion of domestic and international tourism in Australia. Further information on this agency is available from www.tourism.australia.com

Acknowledgments: I would like to thank two anonymous referees and Michael Shiel for their comments on an earlier version of this paper. Also a grateful thanks to my colleague Stan Fleetwood who has helped in many ways during the preparation of this paper. Views expressed in this paper are my own and does not necessarily reflect the views of my employer and the Government.

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FAMILY ORIENTED DESTINATION RESORTS: A SUPPLY-SIDE ANALYSIS OF RECREATIONAL AMENITIES

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ABSTRACT

Families are an important market to the success of the destination resort industry. This fact is magnified for family oriented destination resorts (FODRs) within the Upper Midwest of the United States (Michigan, Minnesota, and Wisconsin). Previous destination resort studies have examined travel behavior and preferences of this market but limited research exists concerning supply-side changes brought about by consumers. Because of the existent information gap, an explorative qualitative study examining changes in family amenities from the destination resort perspective was conducted. Findings from this study show that while consumers play a significant role in the modifications of family oriented amenities (FOAs), changes are influenced by multifarious external and internal forces. Discussion and managerial implications concerning changes in FOAs concentrate on family consumer driven factors.

KEYWORDS: Destination Resort, Family Travel, Family Resort, Supply-Side Analysis, Travel Trends, Upper Midwest

INTRODUCTION

Families have traditionally played an important role in the success of destination resorts. The same can be said about the importance of destination resorts in the traditional family vacation (Verhoven & Masterson, 1996). While resorts continually evolve amenities to attract the family market segment (Rubin, 1997), the growing diversity in family composition (Ruggles & Brower, 2003) presents new challenges regarding the applicability of conventional resort amenities for these new family segments. These concerns have been justified as family travel has gone beyond the ‘nuclear family’ stereotype to include grandparents, aunts/uncles, and a variety of other family members (Nayyar, 2001).

Literature addressing the changes in families’ composition and family travel behaviors proliferates, but limited supply-side understanding exists concerning family amenities. Even less information is available concerning family oriented activity changes in family oriented destination resorts (FODRs). With such importance being placed upon the family market in FODRs, a supply-side analysis of how family dynamic changes impact resorts is needed. With current changes in families and the possible theoretical impacts on resort family oriented amenities (FOAs), this research’s generative promise is to:

- O₁: Investigate the longitudinal dynamics of family oriented amenities at FODRs and their corresponding importance ratings.
- O₂: Explore how consumer demands, competition, and cost factor impact the provision of family oriented amenities at FODRs.
- O₃: Examine family consumer changes and their impacts on FODRs, specifically FOAs, recreation programs and operational procedures.

Based upon these objectives, the outcomes of this study will provide an understanding of supply side issues corresponding to the family market segment. The results will focus on the impacts that families have on changes in FOAs from a longitudinal viewpoint. The implications of these findings as applicable to resort owners and operators will be discussed in conclusion.

LITERATURE REVIEW

Family Dynamics

The United States has seen significant growth in the number of households over the past 40 years along with significant changes in household composition (Aldrich & Cliff, 2003). According to the U.S. Census Bureau, who defines families as “two or more persons living together and related by blood, marriage, or adoption”, in 2003, the number of households in the United States reached 111 million, up from 63 million in 1970. The increase in the average growth rate of households, however, declined between the 1970s and 2000. (Census, 2004). Changes in the number of type of households are influenced by patterns of population growth, shifts in age composition, demographic trends in marriage, cohabitation, divorce, fertility and mortality along side with social norms, values and lifestyle all affect shifts in family dynamics. For instance, the traditional married couple households with their own children dropped from 40% of all households in 1970 to only 23% in 2003, while single parent living with children or other relatives increased from 11% to 16% in the same time frame (U.S. Census, 2004). The new multiplicity of family household compositions, which may or may not be included in census analysis, includes two-parent families, one-parent families, cohabitating couples, gay and lesbian families, and extended-family households (Teachman et al., 2000).

The shifts and changes in household composition can be partially explained by a variety of changing patterns. Marriage pattern changes have been driven by an increased value in American’s individualism and the growth of economic independence for women (Bellah et al., 1985). Divorce, which functionally creates single parent homes and a non-nuclear family, has also increased and varies across ethnicity (Bianchi & Casper, 2000). Remarriage, which combines two single families into one household, create a stepparent environment and a quasi-traditional family (Stewart, 2001). Contextual changes in childbearing and childrearing also affect family composition. As Americans continually marry later in life, females spend a greater period of time in non-marriage and therefore increasing the possibility of having children out of wedlock (Teachman et al., 2000). These factors, while not accounting for all non-nuclear families’ development, are major contributors to the changes in family dynamics.

Family Travel

The family travel market has grown dramatically. According to the survey by Yankelovich in 2000 (Shillinglaw, 2001), roughly 41 percent of all families took weekday trips of four or fewer nights, while 46 percent took a long vacation of five or more nights. That is a

remarkably high percentage compared to the vacation behavior of all Americans. Corresponding to the shift in family dynamics, changes have also occurred in family travel (Gardyn, 2001). Current lifestyle and demographic trends have changed the term 'family vacation' to include variety of other non-nuclear family members including aunts, uncles, grandparents and friends (Nayyar, 2001). Summer vacations have also changed as children are more active in the summer by attending learning camps and volunteering for various activities (Weiss, 2001). A family vacation today is no longer just an occasion for rest and relaxation, it is perceived as an occasion on which to reunite family members. There has been remarkable growth in family vacation reunion (Keefe, 2002). Regardless of shifts in trends and variations to the norm, family vacations and family travel remain an important part to the family dynamic (Chesworth, 2003).

Family travelers are distinctive in their travel decisions because of specific amenities needs (Wong et al., 2001). Market segment uniqueness constantly changes as the diversification of family travel types increases (Kang et al., 2003). Furthermore, family niche groups can assist in developing stronger year-round business with increased consumer loyalty and repeat business (Gardyn, 2001). With the importance of family travel to the tourism industry, a better understanding of family travel behaviors needs to be established.

Families and Resorts

The importance of the family market to the success of destination resorts is unquestionable. With such significance, families have received considerable attention in destination resort literature. As a way to respond to the changing needs of consumers and to encourage repeat business and seek new markets, nearly all resorts have added children's activities (Whelihan & Chon, 1991). Understanding the motivations of different family life cycle stages have been investigated in the resort context (Hill et al., 1990). The role that senior resorts can play in improving relationships between other family members has also been analyzed (Dorfman, 1996). Family related programming and their potential impacts to destination resort human resources have also been commented upon (Olsen & Myers, 1992). To attest to the importance of families, all-inclusive resorts which have traditionally catered to couples have developed to include family market segments (Turner & Troiano, 1987).

Children, who make up a key component of the family dyad, have received specific attention. An understanding of current children's programs within the resort industry has been developed (Gaines et al., 2004). The importance of developing programming specifically for children has been examined (Makens, 1992). Researchers have also developed a deeper understanding of how children activities participation can be impacted by the physical condition of a resort (Milman, 1997). However, within current literature, a knowledge gap concerning supply sides changes driven by the family consumer exists.

METHODOLOGY

Data were collected in the spring of 2005 through interviews of owners/ general managers conducted via the telephone. The Upper Midwest of the United States, traditionally considered the states of Michigan, Minnesota, and Wisconsin (Destinations, 2005), served as the geographical region under investigation due to the region's profusion of FODRs. The sub-population was established in February 2005 using a web search sample development technique. By searching the term 'family resort: *state*' in the search engines Google[®], Yahoo[®], Alta Vista[®],

MSN Search[®], and Ask Jeeves[®] a semi-random sub-population from which to choose a random sample was established. By comparing results from the five-search engines and eliminating resorts listed more than once, a sub-population of 87 total resorts with 29 from Michigan (33.3%), 27 from Minnesota (31.1%), and 31 from Wisconsin (35.6%) was established.

This method, used to establish a random sub-population of resorts, was employed for several reasons. First, there is not a comprehensive list of FODRs within each state. Second, while private industry lists establish a partial listing of FODRs, these are cost based and not all resorts subscribe to their services. Third, even with some resorts not maintaining independent websites, resorts can be listed through other means. Cooperative resort websites, where a group of resort owners divide the cost of maintaining a website, provide exposure for FODRs on the World Wide Web. In addition, resorts are typically members of and listed on Convention and Visitors Bureau or Chamber of Commerce sites. This type of shared or combined exposure is successful for establishing Web presence as 13 (15%) of resorts in the subpopulation were established through cooperative listings. To ensure the validity of the search results, the qualifying question of, “Does your resort rely primarily upon the family consumer” was asked at the beginning of each telephone interview. The Internet search method employed proved valid as 100% of the resorts agreeing to the interview answered ‘yes’ to this question.

Once the sub-population was established, a random sample of resorts was selected from each state. To compensate for attrition due to resorts unwillingness to participate in the study, a list of 12 random resorts was selected from each state. Using the True Random Number Service at Random.org, a sample from each state’s sub-population was established (total n = 18). The total sample of 18 resorts allowed the researchers to reach qualitative data saturation.

Upon establishing the sample, resort owners were contacted and interviewed. Initial contact was through a written request for correspondence addressed to the owners of each resort. Once these letters were sent, a phone call was made to establish an interview time most convenient for the interviewee. The interviews, which lasted an average of 33 minutes, were tape recorded in order to establish a text-based database for data analysis. The interview guides were based upon grounded theory technique to establish themes in changing FOAs from a supply side perspective (Patton, 2002). Using a combination of semi-structured interview questions, importance scores, and closed ended questions; information was collected concerning the current status, changes in, and impacts of changing family dynamics of FOAs. Appendix A provides a sample of introductory probing questions included in the interviews guide. IS written in block parentheses represents questions where respondents were asked to provide importance ratings on a scale of 1 to 10 with 1 representing ‘minimal importance’ and ten ‘extremely important’. The scale wording was adapted for individual question contexts.

Subsequent to the completion of the interviews, data were transcribed and analyzed. Using the voice recognition software Dragon Naturally Speaking 8.1, the interviews were transcribed. These transcribed interviews were then analyzed using the data management software Atlas TI. This program allowed for general themes and ascertains to be established from the collected text-based data.

FINDINGS

The owner/manager respondents were a mix of both male (44%) and female (56%) with a total of 15 owner/managers and three non-owner general managers. The respondents represented a mix of FODRs where the average size was 19.5 cabins (min 4, max 93), with 22% of resorts having an average of 39.5 campsites (min 4, max 180) and 22% having an average of 18 other types of lodging accommodations (min 5, max 43). Resorts were also 73.6% reliant on the family market and they considered the family market, on average, to be an 8.6 on the importance scale (out of 10). There were a total of 10 year round resorts (55.5%) and the sample resorts were an average of 57.5 years old. The resorts averaged 3.2 (min 1, max 9) full-time employees and 17.3 (min 1, max 110) part time employees. A current FOAs matrix was also established for this sample. Table 1 provides the amenity analysis along with corresponding importance ratings and the percentage of resorts with the specified activities. As shown in the table, beach activities (such as swimming), team sports, on-water, non-motorized activities as well as nature-based activities (i.e. hiking) were among the most prevalent family amenities provided. Resort owners/general managers rated beach activities, on-water activities as well as facilitation of social interaction and relaxation as vital to their family traveler market.

Table 1
Family Amenities

Family Amenity	Importance Rating Average	% with Amenity
Playground	6.42	44.4
Beach Activities (i.e. swimming)	9.33	72.2
Team Sports	7.46	72.2
Individual Sports	6.6	33.3
On-water Activity, Non motorized	8.5	55.6
On-water Activity, Motorized	7.5	22.2
Relaxation/Social Interaction	8.75	50.0
Nature Focus (i.e. hiking)	6.78	55.6
Recreation/Game Room	6.72	44.4

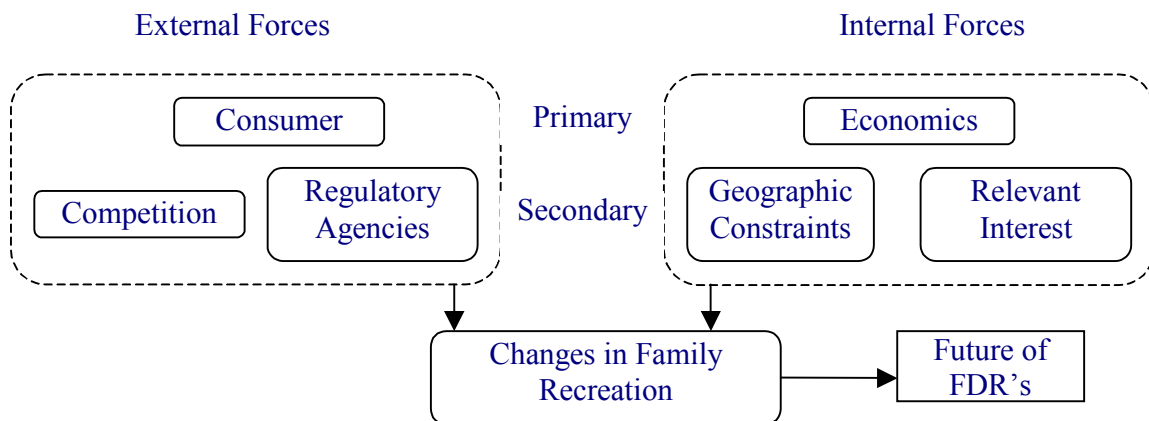
Even with such a wide variety of amenities available, most resorts had plans to increase their amenity offerings. Expansion plans varied from not making any changes, to improving current facilities or adding new amenities and planning new programs. Family amenities to be added included: expanded playgrounds, existing equipment upgrades, health/fitness facilities, and increased family-centric services. With most respondents identifying the addition of family amenities or improvement to current facilities, the primary activity eliminated was motorized water sports. These activities, ranging from fishing boats to wave runners, were eliminated because of insurance costs associated with their operation. Besides the motorized activities, green spaces and sand pits used for team or large individual activities (i.e. softball, botchy ball) have been replaced with specific amenities or have been used to increase lodging capacity.

Changes in existing family amenities have been driven by a variety of reasons. A resort owner in Northern Michigan notes that,

“...the family vacation with mothers, fathers and children are where you are going to make money and we have continued repeat business because of the way that we have made changes and set things up for families. Continually providing additional conveniences for families so they don’t have to leave the area are important”

This representative data clip provides specific reasoning for changes in FOAs in the FODRs industry. Figure 1 presents an analysis of primary and secondary themes emerging from the data that influence change in family oriented resorts.

Figure 1
Forces of Change in Family Destination Resorts



Internal forces of change were dominated by the resort’s economic situation. This was identified as a primary factor because conversation concerning change was dominated by economic factors. A significant dynamic of this factor was available capital; factors included cash flow issues, operational costs and interest further development. Secondary forces, including geographic constraints and relevant interest of the owner/operators, were also prevalent. The two secondary internal forces identified were geographical constraints and relevant interest. Geographical constraints concerned the overall unavailability of adjoining property and landscaping limitations. Relevant interest directly addresses the interest levels of owners in maintaining or further developing the resort owners’ life.

A Northern Michigan resort owner notes,

“...we’re getting to the end of our career. We’ll probably sell out to a developer in a couple of years here. With resorts in our area selling for \$2-3million dollars for home development, we should have a nice retirement.”

This fiscally oriented comment concerning shift in interest in the resort business is in stark contrast to typified attitudes of resort owners within the sample. Most respondents maintained continual interest in developing their resort for a wide variety of reasons. Through analysis of the supplied reasons, no themes or assertions could be developed due to the dispersed nature of viewpoints of the interviewees.

Primary external forces affecting change were focused on the consumer. This force of change was primarily focused on the family consumer and will be discussed in-depth in the next section. Of the non-family consumers, limited change was enacted on behalf of these groups. While maintaining a focus on the family consumer, probing questions concerning 'other' consumer groups were limited. Overall, these other groups were in pursuit of natural scenery, a chance to escape and a change of pace. Changes made for family visitors positively impacted these guests but were not tailored for these groups.

Secondary external forces, which included direct competition and regulatory agencies, were serendipitous. Interestingly, resort owners did not believe that direct competition was represented by other fellow regional resorts. In fact, partnerships were commonplace as they worked together to ensure profitability. The main sources of competition were large resorts located in destination regions throughout the US. Regional resorts with indoor waterparks presented the greatest regional competition whereas theme park resorts represented competition from a non-regional basis.

Regulatory agencies were also a prevalent factor of change throughout the interviewing process. Local government intervention along with regional zoning law changes provided significant barriers to change. Nature beautification or maintaining pristine shoreline conditions can prevent owners from developing or modifying current facilities. This impact can be best described as,

“Zoning regulations have told us what we can and can’t do with our resort. The focus is keeping the shoreline as natural as possible so we can’t develop within so many feet of the shore, we can’t install lights in certain areas and we cannot develop our shoreline.”

These limitations, while positively impacting property value and promoting regional development, also limit profits and in some instances a resort’s ability to remain competitive.

Family Consumer

From a historical standpoint, developing a focus on the family market segment can be derived from one of three primary paths. The first is a business driven motivation where resort owners targeted a specific market segment because of the perceived level of profitable. The second was through a constant resort product evolution where over time adjustments were made to attract this specific market segment. The third could be identified as the natural niche phenomenon. This final path was primarily associated with a resorts geographic location and the propensity of families to patronize the facility.

Family amenities that were offered varied from season to season. During the summer season, resorts supplied a full selection of family amenities. Seasonal resorts made minimal seasonal changes during spring and fall while year round resorts developed a full complement of winter activities. Amenity changes also coincided with changing consumer dynamics. Where in summer families were the primary customers, guests during the 'school year' varied and included consumers from the entire life cycle spectrum.

Family visitors to these resorts were primarily nuclear families. With approximately 90% reporting that family visitors were traditional in nature (mother, father, and children), minimal variations existed. The one non-traditional family visit identified as significant to operational success were that of family gatherings or small-scale family reunions. These gatherings typically included grandparents, their children and their grandchildren and constituted the remaining 10% of family visitors. Consumer driven changes primarily revolved around the demand for a better product. From wanting Internet access to immaculate lodging facilities, consumer driven changes were travel party composition based. However, changes in family amenities, while apparent, were not based primarily on changing dynamics of the family structure but rather socio-economic based. Economic and government regulatory factors appear to dictate the changes in family amenities to a larger extent. This point is of significance because the changing family dynamic while resonant to some degree with the supply-side view of FODRs' amenity needs, appear to have yielded way to the socio-economic based forces.

DISCUSSION

The FODRs in the Upper Midwest of the United States is a very unique industry segment where competition is limited and the consumer bases continue to grow. Current opinions within this segment exist as such that national not regional competition impacts the supply side decision-making process. The sustained expansion in the consumer base, paired with the minimal local competition, put FODRs in a unique position where the perception exists that ensuring business success does not necessarily require change.

Of considerable interest are those factors that did not impact the change in FOAs. Although the changing dynamics of families has been well documented, FODRs does not include this variable in their decision making process as much as other socio-economic based factors. However, consumers are the ultimate driving forces for business successes, FODRs need to adopt a more forward-looking disposition. For instance, focusing more on attracting the non-traditional families especially during non-family shoulder seasons could be a differentiating strategy. The untapped market could potentially enable higher profit margins in an exceedingly financially restricted segment. In addition to ignoring family dynamic changes, resorts have not resorted to market research to enhance consumer understanding. Formalized research, commissioned at the local or regional levels, would benefit this homogenous group of resorts. With the costs of collecting consumer information a major deterrent, research could be collected through regional partnerships to defray costs while application is relevant at the business level.

Specific attention should also be paid to the family oriented amenities and the forces of change. As resorts continually remodel and update their facilities, large-scale facility changes cannot be developed for a variety of internal and external reasons. Geographical and economic limitations exist and restrict changes that resort owner/operators would otherwise prefer to make.

Relevant owner interest and regulatory agencies are also important forces for change to be reckoned with. Being mindful of strengths and weaknesses imposed on owners by these limitations is imperative. FODRs have established a niche market and should strive to capitalize upon this point. Attracting consumers who want an escape, with the amenities of home, should be the primary goal. Capitalizing on this market segment allows small FODRs to co-exist with large regional resorts that provide a dissimilar family vacation experience.

The FODRs segment of the resort industry, particularly in the Upper Midwest, is a successful but shrinking industry. Respondents illuminated the fact that they will profit more from selling their resort than by maintaining operations. Others discussed the slow extinction process as developers purchase competing resorts for condo or second home development. These factors, in partnership with current barriers to change, are limiting the success and continued tradition of FODRs. Only through cooperative partnerships and improving operating efficiency, will this industry continue to profit and maintain the tradition of supplying family vacation opportunities.

FUTURE RESEARCH

While this study has explored family oriented activities at FODRs, there remains need for further research. This study concentrated on the family consumer as external funding from the Center for Families at Purdue University shaped the overall focus of the study. By widening the focus, a greater understanding of FODRs can be established. For instance, while FODRs' characteristics discussed in this research appear to be typical of the upper mid-west region resorts, FODRs in other regions could potentially be different as a result of geographical and demographic differences. Inferences drawn from the sample frame of this research need to be interpreted with further validation based on other sample frames. Further, while using qualitative methodology as a primary means to explore this resort industry segment has allowed for in-depth exploration with only a limited sample, additional quantitative research using a larger, non-regional sample is needed to provide better rigor and verify whether these findings are transferable outside of the Upper Midwest. Future studies could also expound upon factors presented in the Forces of Change model. The relative magnitude of these forces could be better explained with more quantifying and stringent measurements. In addition, the web search sample development technique, while valid for establishing the random sample for this study, is a technique that needs additional reliability and validity testing in similar situations. Only by conducting future research and expanding the purview of this exploratory study will a true understanding be developed of the family oriented destination resort industry.

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Appendix A

Representative Sample of Interview Questions

Recreational Amenities Changes

- What current family amenities does your resort offer? [IS]
- How long have you been offering them?
- What family amenities were offered in the past that are no longer offered?
- What was the reasoning for eliminating those amenities?
- Do you have any plans to increase/decrease the amount of family amenities?
- What specifically will you be increasing/decreasing?
- What are the primary reasons for the changes in your family related amenities? [IS]
- Do the changing of seasons alter which family amenities are offered at your resort?

Consumer

- How does the type of visitor change with the season?
- How specifically does the family visitor change with the season?
- Could you describe the composition of your family visitors for each season?
- What were your reasons for originally targeting the family market?
- How has the composition of your family visitors changed over the years?
- In what capacity has the changing family composition changed your business and marketing strategies? [IS]
- How about the future development of x resort?

Resort Supply Dynamics and Competition

- What specific family amenity changes have you made based upon changes in family visitors? [IS]
- What regional competition exists for your customers business? [IS]
- What impact does the competition have on family amenities that your resort offers? [IS]
- What specific external/internal forces encourage you to change family amenities that are offered at your resort? [IS]
- What type of research do you conduct to assist you in the decision making process?

Resort Demographics

- How important is the family market segment to the success of your business?
- What percentage of your business is represented by families?
- Is your resort considered a year round or seasonal resort?

Special Thanks: The authors would like to thank the Center for Family Research at Purdue University and Shelly MacDermid for support of this research.

HOSPITALITY AND TOURISM MANAGERS' WORK VALUES

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ABSTRACT

Hospitality and tourism managers in a major city of the United States were surveyed to determine major work values and correlated variables. Fifteen values were identified along with their hierarchical order. This study found a four-dimensional work value structure shared by hospitality and tourism managers. The hierarchy of work values suggests a relative ordering of important attributes applicable to the hospitality and tourism industry. This ordering provides insights that could be used to attract potential workers as well as to retain current management level employees. Also, work values were found to differ by gender and age. Furthermore, this study found that generational (Generation X vs. Baby Boomers) factors also impact work values. Implications are drawn for industry as well as educators.

KEYWORDS: work values, occupational behavior, recruitment strategy, retention strategy

INTRODUCTION

The analysis of individual value systems has been of general interest for some time (Rokeach, 1973; Schwartz & Bilsky, 1987). Interests in work values in particular (Hofstede, 1980; Mok, Pine, & Pizam, 1998) have also been the area of attention. Work values are the underlying preferences and beliefs that should be satisfied in people's career choices (Brown, 2002; Sukiennik, Bendat, & Raufman, 1989; Ginzberg, Ginzburg, Axelrad, & Herma, 1951). Viewpoints of occupations and career choices are constantly impacted by factors such as intrapersonal factors (i.e., maturing individual) (Brown, 2002; Ginzberg, et al., 1951; Super, 1957) and the situational variable (i.e., social-cultural impact). These factors provide opportunities and create threats in the workplace. Values identified by individuals can be prioritized in terms of importance relative to specific goal-driven pursuits (Brown, 2002; Rokeach, 1973).

Furthermore, cultural and work values influence career decision-making processes (Brown, 1996; Hotchkiss & Borow, 1996). The hierarchical order of individual values influences their occupational behavior (Adkins, Russell, & Werbel, 1994; Elizur, Borg, Hunt, & Magyari-Beck, 1991; Rokeach, 1973). Hence, individuals' well being (e.g., job satisfaction) may be greatly impacted by the work values hierarchy. Furthermore, variation in work values is influenced by workforce's socio-demographic characteristics (Kalleberg, 1977).

While many studies focusing on work-value implications have been conducted, few such projects are specifically applicable to the hospitality and tourism industry (Chen, Chu, & Wu, 2000). This dearth of research poses opportunities for hospitality and tourism researchers to

contribute new findings for use in human resource recruitment and retention strategies (Lewis & Airey, 2001).

The purpose of this study was to uncover major work values of managerial employees in the hospitality and tourism industry and to seek the hierarchy of work values that influence career decisions.

METHODOLOGY

Data were collected from a sample of individuals with managerial positions (both managers and supervisors) from various organizations in the hospitality industry in a major tourism destination in southeast USA. The first survey package including a cover letter and questionnaires were delivered to the 500 participants. The Dellman (1978) procedure was followed. This resulted in 398 useable samples. For this article, data with those participants who were managers in the organizations were selected with a total sample of 246.

The study employed a self-administered paper-and-pencil questionnaire with three sections: (a) Occupational behavior, (b) Work Values, and (c) Socio-demographic behavior. Super's (1957) Work Value Inventory was adopted to assess the work values of the participating managers. Forty-five statements representing 15 work values were identified. Using a 5-point scale, where 1 = unimportant and 5 = very important, respondents indicated how important it was in relating to the 45 statements. Each of the 15 Work Values were calculated within the range of 3 to 15, where 15 = most important and 3 = least important.

The data were selected from those individuals who were managers within their respective organizations in the hospitality industry. More specifically they represented convention/meeting planning, food service and restaurant, lodging, and theme park/attraction industries (see Table 1).

By gender, 45.9% of respondents were female and 44.1% male. Their averaged work experience in the industry was 10 years, and averaged age was 38 years old (ranging from 26 to 58). Approximately two-third of managers reported to be satisfied with their current job (4.33 on a 5-point scale).

The frequency analysis was performed on the 15 work values to determine the rank order of importance from the hospitality managers' perspective. Among the 15 work values, *Way of Life* was ranked as the most important work value, followed by *Achievement*, *Supervisory Relationship*, and *Altruism*. The participants viewed *Aesthetic* and *Associates* as the relatively less important work values. Table 2 depicts the rank order of the importance of the 15 work values.

Table 1
Demographic Profile of Hospitality Managers

	N	Percentage
Gender		
Female	113	45.9
Male	133	44.1
Age (average: 37.7 years old) (ranged from 26 to 64 years old)		
58-40 (born between 1946-1964)	95	38.6
39-26 (born between 1965-1978)	151	61.4
Years in the industry (average: 9.83 years)		
About 5 years	56	24.1
6-10 years	64	27.6
10-15 years	59	25.4
15-20 years	26	11.2
20 years and more	27	11.6
Industry		
Convention/Meeting Planning	53	12.6
Food Service and Restaurant	176	41.7
Lodging	143	33.9
Theme Park/Attraction	50	11.8

Table 2
The Rank Order of Hospitality Managers' Work Values

Rank	Work Values	N	Mean	Std. Deviation
1	Way of Life	240	13.7	1.6
2	Achievement	240	13.6	1.5
3	Supervisory Relationship	240	13.4	2.1
4	Altruism	240	13.2	1.8
5	Security	240	13.1	2.2
6	Independence	240	13.1	1.6
7	Intellectual Stimuli	240	13.1	1.5
8	Creativity	240	12.9	1.7
9	Economic Return	240	12.8	1.8
10	Prestige	240	12.5	2.1
11	Variety	240	12.3	1.7
12	Surrounding	240	12.2	1.8
13	Management	240	12.2	1.9
14	Associates	240	11.3	2.3
15	Aesthetic	240	10.6	2.5

Note: The values of each work value ranging from 3 to 15.

A principal component analysis using VARIMAX rotation was performed on the 15 work values. The correlation matrix of all items was first examined, followed by the Kaiser-Meyer-Olkin (KMO) measuring of sample adequacy (.87) and Bartlett's test for sphericity ($\text{sig} < .001$). All of the three procedures supported the use of factor analysis (see Table 3).

It resulted in a 4-dimension-solution with 64.19% of variance explained by the components. Based on the commonality within item groupings and also consulted with organizational behavior scholars on the content of the result, the four dimensions were labeled as: *Comfort and Security*, *Competence*, *Personal Growth*, and *Work Environment* (see Table 3).

The first dimension, *Comfort & Security*, included 4 items: Way of Life, Supervisory Relationships, Security, and Economic Return. The second dimension, *Competence*, contained 4 items: Management, Independence, Prestige, and Variety. The third dimension, *Personal Growth*, included 4 items: Intellectual Stimulation, Altruism, Creativity, and Achievement. The fourth dimension is titled as *Work Environment*, with 3 items: Aesthetic, Associates, and Surroundings. The internal consistency reliability procedures were performed on the 4 dimensions of work values. The four dimensions were deemed "acceptable" and "adequate" with the reported Cronbach's Alpha scores (Nunnally, 1978), ranging from .65 to .79.

Table 3
The Dimensions of Hospitality Managers' Work Values

Work Values	Comfort & Security	Competence	Personal Growth	Work Environment
Way of Life	.735			
Supervisory Relationships	.728			
Security	.681			
Economic Return	.662			
Management		.791		
Independence		.739		
Prestige		.656		
Variety		.569		
Intellectual Stimulation			.792	
Altruism			.767	
Creativity			.605	
Achievement			.509	
Aesthetic				.833
Associates				.753
Surroundings				.440
Mean	13.29	12.54	13.13	11.59
(Std. Deviation)	(1.46)	(1.49)	(1.30)	(1.75)
EigenValues	6.13	1.36	1.15	1.04
N	234	234	234	234
Cronbach Alpha	.79	.76	.75	.65

Note: Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

ONEWAY ANOVA procedures were performed on the four dimensions and gender and two age groups: Baby Boomers (those who were born between 1946-1964) and Generation X (who were born between 1965-1974).

The results indicated there were statistically significant differences between females and males on two dimensions. Females valued *Comfort and Security* ($F=9.798^{**}$, $df=1,238$), *Personal Growth* ($F=7.481^{*}$, $df=1,238$) more so than males (see Table 4).

Table 4
The Gender Differences of Work Values Using One Way ANOVA

Work Value Dimensions	Generations	N	Mean	Std. Dev.	df	F
Comfort & Security						9.798**
	Female	109	13.6	1.2	1	
	Male	131	13.0	1.7	238	
	Total	240	13.2	1.5	239	
Competence						.038
	Female	109	12.5	1.3	1	
	Male	131	12.5	1.4	238	
	Total	240	12.5	1.4	239	
Personal Growth						7.481*
	Female	109	13.4	1.2	1	
	Male	131	13.0	1.2	238	
	Total	240	13.2	1.2	239	
Work Environment						2.784
	Female	109	11.6	1.5	1	
	Male	131	11.2	1.8	238	
	Total	240	13.6	1.2	239	

It was also shown that work values differed significantly by generation. The ONEWAY ANOVA procedures employed identified work value differences between the two major generations employed in the hospitality industry. The results indicate the mean Personal Growth of Baby Boomers was significantly higher than the means of the Generation X. That is, Baby Boomers prioritized *Personal Growth* ($F=12.369^{**}$, $df=1,238$) higher than Generation X (see Table 5). Yet there were not significant differences found between the two generations on the other three dimensions.

Table 5
The Generational Differences of Work Values Using ONEWAY ANOVA
(Baby Boomers vs. Generation X)

Work Value Dimensions	Generations	N	Mean	Std. Dev.	df	F
Comfort & Security						.002
	Baby Boomers	91	13.2	1.4	1	
	Generation X	149	13.2	1.6	238	
	Total	240	13.2	1.5	239	
Competence						.015
	Baby Boomers	91	12.5	1.3	1	
	Generation X	149	12.5	1.5	238	
	Total	240	12.5	1.4	239	
Personal Growth						12.369**
	Baby Boomers	91	13.5	1.0	1	
	Generation X	149	13.0	1.3	238	
	Total	240	13.2	1.2	239	
Work Environment						.756
	Baby Boomers	91	11.2	1.6	1	
	Generation X	149	11.4	1.8	238	
	Total	240	11.4	1.7	239	

DISCUSSION AND IMPLICATIONS

In conclusion, three study findings are noteworthy. First, the hierarchy of work values suggests a relative ordering of important attributes applicable to the hospitality and tourism industry. This ordering provides insights that could be used to attract potential workers as well as to retain current management level employees.

Second, this study found that work values differed depending upon gender for three dimensions of work values. However, the results obtained in this study partially contradicted a previous study conducted in Asia that indicated males emphasize the importance of economic return more so than females (Chen, Chu, & Wu, 2000). This contradiction could be due to social/cultural differences between Asia and the U.S. These findings warrant further investigation on the impact of social/cultural variables on work values.

Third, this study found that generational (Generation X vs. Baby Boomers) factors also impact work values. Although not conclusive, the implication is that different recruitment strategies can be justified according to value shifts among generations.

In summary, this study found some useful work-value attributes for the hospitality and tourism industry to consider relative to demographics and values as they pertain to strategic planning.

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ENTREPRENEURIAL ORIENTATION AND ORGANIZATIONAL CONFIGURATION: PERFORMANCE IMPLICATIONS

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ABSTRACT

The purpose of this study is to test the entrepreneurial orientation-organizational configuration-performance link within the context of the Asia-Pacific hotel industry. Contingency theory suggests that successful performance results from the appropriate alignment of key variables including strategy and structure. Performance was designated as the dependent variable while strategic posture and organization structure were considered the independent variables. Correlations, cross tabulations with Chi-square, and regression analysis were adopted to test relationships. Results suggest that entrepreneurial strategic posture is positively associated with performance. Contrary to expectations, organic structures were negatively associated with performance. The study findings also lend support to the voice of previous researchers who have suggested that western theories are not easily generalized to a non-western context.

KEYWORDS: organization structure, entrepreneurial orientation, performance

INTRODUCTION

Researchers adopting the contingency perspective focus on the need for flexible responses and on this basis suggest that there are particularly appropriate strategy-structure combinations. These researchers believe that there is no “best” strategy or structure, and that a given strategy or organizational configuration will not be equally effective under different conditions (e.g. Miller, 1991; Venkatraman and Prescott, 1990). Contingency theorists suggest that successful performance results from the appropriate alignment of strategy and structure (Powell, 1992). Therefore, it is the “fit” among environment, strategy, and/or structure that is thought to determine performance (Venkatraman and Prescott, 1990). The focus is thus on the need for flexible strategic and structural responses in order to align the business with its environmental context (e.g. Dess, Lumpkin, and Covin, 1997; Venkatraman, 1989a).

Most if not all hospitality strategy related research has been conducted in relation to the North American domain. Yet, research evidence suggests that Western theories focusing on organizations and their environments are likely to suffer from a weak fit (Boyacigiller & Adler, 1991; Kiggundu, Jorgenson & Hafsi, 1983) in terms of generalizability to a non-Western context. Cultural differences may also limit the ability of management to transfer and operationalize some systems and procedures (Pang, Roberts, and Sutton, 1998; Hofstede, 1980). Moreover, Harrington (2001) contends that the various hospitality industries operate in significantly different environments, raising the proposition that resulting managerial and

organizational practices also differ. Given these considerations, previous researchers (e.g. May, Stewart, & Sweo, 2000; Kim & Lim, 1988) have argued that it would clearly be useful to assess if the concepts and frameworks adopted from the normative strategic planning school can be applied and generalized to the Asian context.

The primary purpose of this study is to test if entrepreneurial strategic orientation is associated with organizational configuration within the context of the Asian hotel industry and whether this has performance implications. This study aims to extend the current body of literature by applying and empirically testing these relationships using primary data collected from selected Asian countries.

Entrepreneurial Orientation

According to Ireland et al., (2001) entrepreneurship is a context-dependent social process through which individuals and teams create wealth by bringing together unique packages of resources to exploit marketplace opportunities. Entrepreneurship is concerned primarily with identifying opportunities and creating a set of resources through which prospects can be exploited. It is therefore seen as a mechanism that promotes the search for competitive advantages through product, process, and market innovations. Entrepreneurship has both attitudinal and behavioral components and can be practiced by all type of organizations including small and large firms. As such, entrepreneurial attitudes and behaviors are seen as providing a foundation for the long-term competitive success of firms competing in various environments across different markets. As a construct, entrepreneurship has been described at both the individual level (Mintzberg, 1973) as well as the organizational level (Miller, 1983; Stevenson and Jarillo, 1990).

Miller (1983) offers one of the earliest operationalizations of the entrepreneurial orientation construct and suggests that innovation, proactiveness, and risk-taking are three components of an organization's strategic posture that comprise a basic uni-dimensional strategic orientation. Covin and Slevin (1988) suggest that entrepreneurship may be viewed as a characteristic of firms that can be discerned by looking at managerial conduct as the organization engages in the entrepreneurial process. Entrepreneurship is characterized by the strategic actions and operating management philosophies that firms may adopt (Naman and Slevin, 1993). As a firm-level construct, entrepreneurship applies to both new ventures and existing businesses. Traditionally, concepts from the strategy-making process literature have been used to model entrepreneurship (Covin and Slevin, 1991; Lumpkin and Dess, 1996). The literature suggests that entrepreneurial orientation can be broadly defined as a firm's overall competitive orientation, or the composition of competitive options firms use within their industry (Dess and Davis, 1984; Venkatraman, 1989b).

Organizational configuration, Entrepreneurship, and Performance

Burns and Stalker (1961) developed a continuum where the structure of an organization can be classified according to its technology: mechanistic versus organic. The "mechanistic" structure represents a high degree of specialization, division of labor, vertical communication, centralized authority, and low autonomy. Mechanistic organizations tend to be more traditional, more tightly controlled, and more hierarchical in their approach. On the other hand, the "organic" structure allows less strict task differentiation, less clear hierarchy, and a relatively higher degree of autonomy. In general, an organically structured organization is more adaptable, more openly communicative, more consensual, and more loosely controlled. Organic structures support the systematic discovery of innovative opportunities and foster opportunities through facilitation and motivation (Drucker, 1985;

Covin & Slevin, 1990; Slevin & Covin, 1990). These authors maintain that entrepreneurial behaviors can be promoted by organizational structures that are organic and amorphous. Structures that support entrepreneurship foster the right climate or culture (Chung and Gibbons, 1997) and minimize bureaucracy while maximizing adhocracy (Echols and Neck, 1998). The high levels of performance achieved by many entrepreneurial firms with flexible, non-bureaucratic structural attributes suggests that the fit between organization structure and a firm's entrepreneurial orientation may be particularly crucial to the effectiveness of the firm.

The Asia-Pacific Context

This study looks at hotels within the Asia Pacific region – an area that is growing rapidly in terms of inbound and outbound tourism and is thus very attractive to many leading U.S. and European hotel groups that are keen to increase their presence in the region. This region is fast becoming a major source market for the global hotel industry. Both regionally and globally, a lot of travel will be generated and demand created within the Asian markets. The World Tourism Organization (2003) reports that growth in the number of tourist arrivals to the region is forecasted to outpace the world average of 4.1 per cent through the year 2020. According to the same source, the Asia Pacific region is projected to account for over 25% of all inbound tourism by the year 2020. The markets provide great opportunities for hotel expansion and key U.S.-based hotel companies have been developing full-service properties throughout Asia. While development activities may have slowed in gateway cities in the United States and Western Europe, opportunity still exists in many Asian markets (Coleman, 2002).

Contemporary western management styles are typically oriented towards corporate cultures that are focused on developing quality and customer satisfaction by building a sense of personal ownership into service excellence (Mwaura, Sutton, and Roberts, 1998). Along these lines, Peters and Waterman (1982), among others, have argued that US companies are considered to be hands-on, value-conscious, and driven by the strongly-held US cultural values of social mobility, economic achievement, closeness to the customer and productivity through people. This is achieved by promoting open and honest communication and teamwork, and staff being empowered to make decisions (Mwaura, Sutton, and Roberts, 1998). On the other hand, Hofstede (1980) has noted that in some cultures – (i.e. those associated with high power distance relationships) - employees have limited expectations for participation in decision making. The combination of a culture's power distance and its tolerance for uncertainty determines part of the power structure of an organization. The higher the power distance and the lower the tolerance for uncertainty, the more likely it is that leaders will hold a high degree of power and that subordinates will expect them to use it.

Therefore, it would seem to be the case that the prerequisite service orientation for a successful hotel operation (Mwaura, Sutton, and Roberts, 1998) is in direct conflict with many local cultural expectations that have been influenced by such factors as a general lack of experience in service industries, the collectivist approach to problem solving, and "everyone being equal," which emphasizes the view that having to serve someone is associated with a "loss of face" (Pang, Roberts, and Sutton, 1998). Research suggests that when national and organizational cultures come into conflict, the former is likely to override values in the latter (Hofstede, 1980; Pang, Roberts, and Sutton, 1998). As such where an international organization tries to reproduce its corporate culture, work systems, and organizational configurations in another national setting, problems may be expected. Organizations may therefore have to adjust operating systems, organizational structures, and

work arrangements to accommodate local norms (Mead, 1994). Given such cultural considerations, normative theory pertaining to the relationships between strategic orientation, organization structure, and performance may not apply. It may be possible that the most prevalent structural configuration is mechanistic in nature and these may more likely be positively associated with performance.

METHODOLOGY

Sample frame and data collection

Data were collected by means of a mail survey questionnaire completed by general managers (or their designees) of hotels located in Mainland China, Hong Kong, Malaysia and Singapore. Although the area from which the sample is drawn is geographically focused, it is home to major international and regional hotel brands (e.g. Hilton, Hyatt, Marriott, Mandarin Oriental, Peninsula, and Shangri-La). These hotels are highly representative of the industry as a whole and include both international and U.S. based hotel groups that own, manage, and operate hotels throughout the world.

Although the limitations of questionnaire-based research are well documented (cf. Yu and Cooper, 1983) the benefits arising from cost savings, convenience, anonymity, and reduced interviewer bias seem to outweigh the limitations. The limitations of using self-report data must also be recognized. Though self-report data are commonly adopted in management research, there is the risk of common-method bias, or the possibility of alternative explanations. As such, the results of this study should be viewed as presenting managers' perceptions, which according to Lyon, Lumpkin, and Dess (2000), provide the most precise assessment of conditions within an enterprise. The geographically circumscribed nature of the sample may also limit the extent to which any conclusions may be generalized.

The sampling frame represents a listing of all star-grade hotels maintained by each of the following agencies: China International Travel Services, Hong Kong Hotels Association, and the travel associations of Malaysia and Singapore, respectively. The survey questionnaire was addressed to the general manager and included a cover letter that explained the purpose of the research as well as a pre-addressed envelope. Two subsequent mailings with a reminder letter were sent out to those general managers whose responses were not received within three and six weeks, respectively, of the initial mailing.

Variables and scale development

Performance was designated as the dependent variable in this study while strategic posture and organization structure were considered the independent variables. Existing scales were adopted to measure all three constructs. Reliability was tested using the conventional measure of coefficient alpha. Scales were constructed for each variable by averaging the ratings for the items associated with each measure. Adopting this method, indices were developed for each firm to represent the variables of performance, structure, and strategic orientation. Correlations, cross tabulations with Chi-square, and regression analysis were adopted to test relationships among variables and significance was tested at the $p < 0.05$ level.

Entrepreneurial orientation: Following Naman and Slevin (1993), entrepreneurial orientation was measured using a nine-item, 7-point Likert type scale. Covin and Slevin (1988) developed this scale based on early work by Miller and Friesen (1982) and Khandwalla (1976/77). These previous researchers operationally define entrepreneurial orientation as an aggregate measure of three dimensions. These comprise the willingness to take business related risks, the willingness to be proactive when competing with other firms,

and the willingness to favor change and innovation in order to obtain competitive advantage (Miller, 1983; Covin and Slevin, 1988; Naman and Slevin, 1993). Managerial assessments were obtained by means of a structured questionnaire. In responding to the items, respondents were asked to characterize the collective management orientation of key decision-makers. The ratings assigned to these items were averaged to obtain an entrepreneurial style index for each firm. Higher values on the index suggest a more entrepreneurial management orientation while lower values are indicative of a more conservative management orientation. The entrepreneurial style index comprised of the nine items had a mean of 4.72, a standard deviation of 1.003, and a Cronbach alpha coefficient of 0.874.

Organization configuration: Organizational structure was measured as the extent to which organizations are configured in organic or mechanistic forms. A seven item, 7-point Likert type organization structure scale was adopted. This scale was initially developed by Khandwalla (1976/77) to measure organicity – the organic versus mechanistic orientation of a business, and subsequently validated by researchers including Naman and Slevin (1993) and Covin and Slevin (1988). Respondents were asked to characterize the extent to which the operating management philosophy of their firms favored aspects of structure. The ratings assigned to the items were averaged to obtain an organicity index for each firm; the higher the index, the more organic the firm's organization structure. The organization structure scale had a mean of 4.10, a standard deviation of 1.17, and a Cronbach alpha coefficient of 0.851.

Performance: Managerial perceptions of overall performance were measured with a modified version of an instrument developed by Gupta and Govindarajan (1984). For this overall measure, respondents first rank ordered the importance of the following performance criteria: Cash Flow, Sales Level (\$\$), Return on Sales, Net Profit, Market Share, and Sales Growth. The respondents then indicated on a five-point interval scale, ranging from 'highly dissatisfied' to 'highly satisfied', the extent to which they were satisfied with their hotel's performance on these performance criteria. The 'satisfaction' scores were multiplied by the 'importance' rankings in order to compute a "weighted average performance index" for each firm. Previous studies have established that managerial interpretations correspond closely to internally obtained objective performance indicators (Dess & Robinson, 1984; Covin, 1991; Jogaratnam, 2002) and externally obtained secondary data (Venkatraman & Ramanujam, 1987). The performance index had a response range of 4.67 to 17.33, a mean of 11.89, a standard deviation of 2.91, and a Cronbach alpha of 0.90.

RESULTS

Surveys were mailed to the 581 hotel general managers listed in the publications comprising the sample frame and 187 responses were obtained for an overall response rate of 32.18%. The response rates from the four countries varied somewhat: 48.78% in Hong Kong, 36.43% in Malaysia, 27.27% in China, and 24.65% in Singapore. However, there were no statistically significant ($p < 0.05$) differences found in the data obtained from the four countries on any of the variables measured. Likewise, no differences were found between early and late respondents. Follow up telephone calls were made to several non-respondents and based on information provided by ten of these non-respondents, no statistically significant differences were found between respondents and non-respondents on the hotel characteristics and personal profile of managers. These tests, along with the range of the data obtained, suggest that the data are not subject to response bias.

The majority of responses (68%) relate to regionally or internationally branded hotels. Respondents included General Managers (35%), Resident Managers (21%), and Director / Controllors (25%). The majority (80%) had over 10 years industry experience and responded with respect to hotels that had over 500 employees (53%) and over 400 rooms (50%). Approximately 43% of the respondents self-typed their hotels as being 5 star grade properties while 44% self-typed their hotels as 4 star properties.

Is entrepreneurial strategic orientation associated with organizational configuration?

The correlations among the variables (Table 1) suggest that organization structure is positively correlated ($p < 0.01$) with entrepreneurial strategic posture. More specifically, and on the basis of the measures adopted, this implies that an entrepreneurial strategic posture is more likely to be associated with an organic organization structure.

Table 1
Descriptive Statistics With Inter-Item Reliability Coefficients On The Diagonal

	Mean	SD	1	2	3
1. Strategic Posture	4.72	1.00	0.874		
2. Organization Structure	4.10	1.17	0.347**	0.851	
3. Performance Index	11.89	2.91	0.259**	-0.169*	0.900

** . Correlation is significant at the 0.01 level (2-tailed)

*. Correlation is significant at the 0.05 level (2-tailed)

Are strategic orientation and organizational configuration associated with performance?

The correlations presented in Table 1 also revealed that strategic posture and organization structure were both independently related to overall performance. The strength of the relationship, though modest, was statistically significant at above the $p < 0.05$ level. As expected, the direction of the relationship was positive with respect to the correlation between strategic posture and performance. However, the correlation between organization structure and performance was negative. In other words, while an entrepreneurial strategic posture was positively associated with performance, an organic structure was negatively associated with performance.

The regression results (Table 2) suggest that both strategic posture and organization structure have an independent, though modest, effect on performance (model 1 and model 2). However, these variables combine to explain over 17 percent of the variance in performance (model 3), suggesting that the effect of strategic posture and organization structure on performance is additive. As suggested previously, while the effect of strategic posture on performance is positive, the effect of organization structure on performance is negative. This is contrary to normative expectations as well as the findings of previous research conducted in a western context. Perhaps this result may be partially attributed to the employee work expectations and management styles in Asian sub-cultures where mechanistic organization structures may be more prevalent, and perhaps more effective as well. However, this study did not assess the influence of cultural dimensions such as those developed by researchers such as Hofstede (1980) among others, and therefore, such an explanation may only be confirmed by future studies that incorporate variables such as national culture and organizational culture.

Table 2
Regression Results (Dependent Variable: Performance)

Variable	Model 1 B ^a	Model 2 B ^a	Model 3 B ^a	Beta ^b
Intercept	7.52 (1.75)	15.90 (1.32)	10.33 (1.81)	
Strategic Posture	1.22 (0.36)		1.80 (0.36)	0.384***
Organization Structure		-0.675 (0.311)	-1.381 (0.309)	-0.343***
R ²	0.067	0.029	0.182	
Adjusted R ²	0.061	0.023	0.171	
F statistic	11.31***	4.717*	17.123***	

a. Unstandardized regression coefficients, with standard errors in parentheses

b. Standardized regression coefficients (for model 3)

***p < 0.001

*p < 0.05

LIMITATIONS AND FUTURE RESEARCH

The fact that the regression models did not explain large portions of the variance in performance suggests that variables other than those considered here might be important predictors. A complex causal model including variables such as environmental hostility, life-cycle stage, and organizational and national culture among others will most likely increase predictive power. Further, the cross-sectional approach adopted in this research does not capture the effects of strategy-structure alignment over time, but rather provides a snapshot of the relationship at one point in time. The external validity of the results is also limited due to the geographically focused nature of the sample. However, the study does reveal interesting relationships and provides a better understanding of how the strategy-structure-performance link applies to hotels, at least within the Asia pacific context. While the influence of national and organizational culture on these relationships was not assessed in this study, future research that involves cross-cultural comparisons based on these variables should provide interesting findings and also help validate or disconfirm the results of this study, especially those that are not necessarily consistent with existing theory.

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ENTREPRENEUR AND ENTREPRENEURSHIP IN ALPINE TOURISM: PAST, PRESENT AND FUTURE

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ABSTRACT

The vast majority of enterprises in the Austrian tourism sector are small and independent family businesses with relatively low barriers to entry. Together with the fact that enterprises within the alpine tourism sector are characterized by only a small number of employees, this calls for resourceful, innovative entrepreneurial managers and highly qualified staff. Thus, the subject of entrepreneurship and entrepreneurship teaching in higher education, university programs and indeed, vocationally oriented programs are attracting more and more attention. Entrepreneurship is becoming a central element of management teaching that is also echoed in educational concepts at both undergraduate and Master's levels. Statistically the importance of entrepreneurship within educational concepts at universities and institutes of higher education is reflected in the fact that currently an overall of 95 professorships for Entrepreneurship have been appointed at 80 universities in Germany, Switzerland and Austria (Förderkreis Gründungsforschung, 2004). The importance of entrepreneurship within the tourism and leisure industries is only partly mirrored in subject curricula and syllabi.

The paper attempts to address the need for more research in the field of entrepreneurial education in tourism and is structured as follows: part one presents the models of Butler's destination life cycle and Porter's diamond of competitive advantages and is followed by a discussion of entrepreneurship in tourism in the light of this analytical framework. As a consequence main qualification and skills areas for tourism entrepreneurs can be derived. Finally, the authors provide an overview of the main institutions that provide education with a focus on entrepreneurship in tourism to critically derive further needs for tourism entrepreneurship curricula and research in the fields of tourism entrepreneurship.

KEYWORDS: tourism education, entrepreneurship curricula, integrated skills, life cycle.

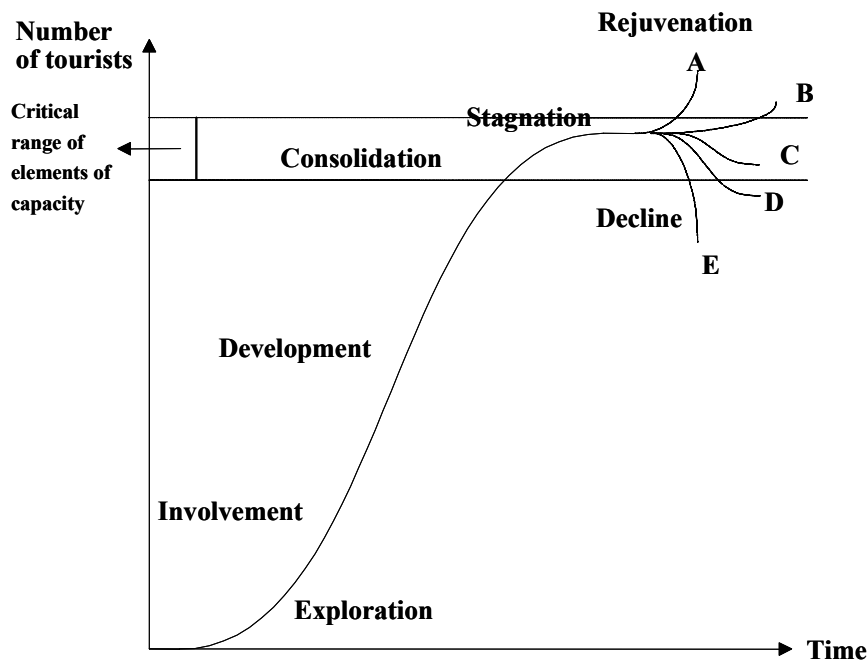
INTRODUCTION AND BACKGROUND

The growth and development of entrepreneurship in any tourism destination is governed fundamentally by two major forces e.g. the tourism destination life cycle and its embedded pattern and timing and the evolving competitive rivalry among the key market players in and around the destination. In order to describe and analyze entrepreneurship in tourist destinations we therefore need two complementary tools of analysis, e.g.

- The patterns and typical behavior of the destination life cycle (Butler, 1980; Cooper & Jackson, 1989) and
- Porter's diamond model of competition and/or competition behavior (Porter, 1990)

The destination life cycle model is a derivation of the product life cycle model, which suggests that new products typically undergo an s-sharpened growth process with respect to consumption and production starting with a research and development phase in which new products are discovered, explored and analyzed, a take off as growth phase in which the innovation (e.g. the commercialized product) gains wide spread acceptance and a consolidation/saturation phase when markets for the product in question taper off due to technical and commercial depreciation and/or physical market limitation followed finally by a phase of absolute and not just relative decline. By now the product or product family has become out of fashion and is replaced by competing products. Although destinations offer services and/or tourism experiences being normally composed of a portfolio of products/services, destinations appear to also demonstrate similar patterns of life cycle behavior (Agarwal, 1994; Butler, 1980). Usually the following 6 phases of exploration, involvement, growth, consolidation, stagnation and decline are distinguished and behave as follows:

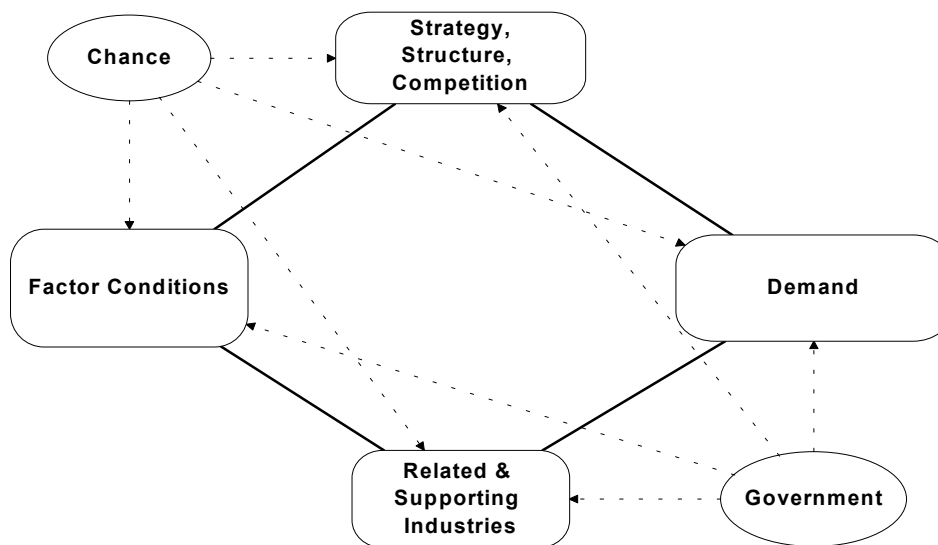
Figure 1
The Destination Life Cycle



Source: Butler, 1980

Porter's diamond model of competition behavior describes and analyses all relevant market forces (both on the supply or resource side as well as on the market side) and as such also deals explicitly with the entrepreneur and his/her patterns of behaviors in relationship to varying market forces in terms of changing demand and customer behavior, shifts or changes in resource endowments or related business/industries or vis-a-vis the composition, size configuration or behavior of entrepreneurial firms within core markets (Porter, 1990). Schematically competitive forces can be represented as follows:

Figure 2
The Diamond Of Competitive Advantages



Source: Porter, 1990

The four corners (determinants) of the above diamond model are shown to simultaneously co-determine competitiveness and thereby dynamically reinforce competitive processes. For instance, the dominant form of mass tourism in the seventies and eighties consisted largely of conservative inexperienced tourists who mainly wanted traditional holiday products at affordable (low) prices. As long as holiday products provided the right location (e.g. mountain or sea side) at low perceived risk (in terms of food habits, health and safety hazards or financial and information uncertainty) customers (tourists) easily turned into loyal repeat visitors vacationing in the limit their entire life at the same destination and/or in the same hotel (accommodation). Thus, there was little pressure towards tourism entrepreneurs from the demand side to innovate their production and/or marketing of traditional holiday products (services). As long as traditional tourism services (in terms of accustomed hospitality) were offered at the right location and at the right time a competitive equilibrium prevailed. The latter was helped by the low cost and availability of traditional production conditions in terms of nature and tourism infrastructure, low cost and sufficiently qualified labor (usually a mix between unqualified seasonal often guest workers and vocationally trained indigenous workers) financial capital (usually provided through conventional financing in the form of mortgage finance) and small-scale tourism enterprises. Only very few other sectors could be considered or treated as related industries namely agriculture and food processing. The situation in tourism has changed dramatically as described by Weiermair (2001): new challenges on the factor conditions side, e.g., technological changes and labor market inefficiencies, new consumers demanding experience-oriented goods and services, the need for cluster development and the pressure on small business to gain economies of scale and scope are only a few entrepreneurial challenges in the so called 'new tourism' (Fayos-Sola, 1996; Weiermair, 2001).

Having explained in some detail the two theoretical constructs to be used subsequently, we now move on to superimpose Porter's competition analysis onto the tourism destination life cycle in order to show the changing role and importance of entrepreneurship in destination development. In order to keep the analysis as realistic as possible we choose the special case of entrepreneurship and tourism development in the European Alps, however a similar case and/or similar analyses could be made with developments of seaside resorts in the Mediterranean or with destination life cycles in developing or emerging tourism markets.

ENTREPRENEURSHIP AND ENTREPRENEURS AT THE START OF THE DESTINATION LIFE CYCLE

Entrepreneurship: a definition

The term 'entrepreneurship' has been widely used as an umbrella term for various concepts and business approaches and it is therefore almost impossible to get a grasp of a universal concept of entrepreneurship. Over the years, different authors have stressed different aspects of entrepreneurship and the successful entrepreneur:

Figure 3
Overview Of Entrepreneurial Functions Within Economic Theories

The entrepreneur is the person who assumes the risk associated with uncertainty. (see e.g., Cantillon, Thünen, Mangoldt, Mill, Hawley, Knight, Mises, Cole, Shackle)	The entrepreneur is the person that supplies financial capital. (see e.g., Smith, Turgot, Böhm-Bawerk, Edgeworth, Pigou, Mises)
The entrepreneur is an innovator. (see e.g., Baudeau, Bentham, Thünen, Schmoller, Sombart, Weber, Schumpeter)	The entrepreneur is a decision maker. (see e.g., Cantillon, Menger, Marshall, Wieser, Amasa Walker, Francis Walker, Keynes, Mises, Shackle, Cole, Schultz)
The entrepreneur is an industrial leader. (A.o. Say, saint-Simon, Amasa Walker, Francis Walker, Marshall, Wieser, Sombart, Weber, Schumpeter)	The entrepreneur is a manager or super-intendent. (see e.g., Say, Mill, Marshall, Menger)
The entrepreneur is an organizer and coordinator of economic resources. (see e.g., Say, Walras, Wieser, Schmoller, Sombart, Weber, Clark, Davenport, Schumpeter, Coase)	The entrepreneur is the owner of an enterprise. (see e.g., Quesnay, Wieser, Pigou, Hawley)
The entrepreneur is an employer of factors of production. (see e.g., Amasa Walker, Francis Walker, Wieser, Keynes)	The entrepreneur is a contractor. (see e.g., Bentham)
The entrepreneur is an arbitrageur. (see e.g., Cantillon, Walras, Kirzner)	The entrepreneur is an allocator of resources among alternative uses. (see e.g., Cantillon, Kirzner, Schultz)

Source: Ripsas 1997, p. 11

These different viewpoints and facets of entrepreneurship have clearly influenced syllabi and subject curricula of educational institutions. At its most general, it can be said that entrepreneurial management can be viewed far broader in scope than traditional management, that the entrepreneurial theme carries the idea of innovation, creation and growth. However, there is no such thing as a global definition of the entrepreneurship idea, neither in theory nor in real life, as its definition depends on economic theories, culture and personal beliefs (see Gartner, 1990).

For our purposes the Schumpeterian definition of an entrepreneur being an 'innovator who carries out new combinations of economic development which are new goods, a new method of production, new markets, new sources of raw material or a new organization form

(Jennings, 1994) fits a concept of entrepreneurial management that meets the challenge to reengineer tourism and a saturated/declining market. This definition also points at the fact that there is more to entrepreneurship than mere commercial knowledge – which is undoubtedly an important precondition for success.

However, the successful entrepreneur disposes of character traits that involve soft skills like the ability to communicate and network, the ability to manage others and motivate them, to be creative and identify and organize market opportunities, the willingness to take risks, how to deal with failure, how to be pro-active rather than reactive and the ability to generate and manage change. The leading question when analysing success strategies of the entrepreneur has to deal with identifying the set of behaviour that makes him/her successful.

Entrepreneurship in the destination life cycle

Typically in potential new alpine tourist regions as is true for all emerging tourism regions it is usually a small crowd of individual tourists, more properly labeled explorers who first discover a potential alpine tourist destination. In this initial phase of discovery and involvement of local residents (including entrepreneurs) with these “first tourists” a number of factors both with respect to the initial resource endowment of the destination and with respect to the first visitors are likely to condition the level, pace and pattern of subsequent entrepreneurial development. On the resource side both the resource mix or the potential production functions for tourism and the availability of tourism related businesses or branches of economic activity are likely to shape the nature pattern and speed of tourism development. A potential tourism destination or region which is richly endowed with public infrastructure (in terms of roads, transportation-, communication- and security systems) which has a diversified or mixed industrial base, easy access to local or foreign capital and which furthermore disposes of a skilled labor force is likely to not only develop faster and with higher valued tourism products but is also highly likely to generate a stronger entrepreneurial base.

In contrast a potential resort that only disposes of natural and/or primary resources with resource owners occupying alpine farming only and at a small scale with little or no access to capital markets and with poor resource endowment as regards public infrastructure or human resources is likely to generate a much lower level and pace of entrepreneurial growth. And indeed we can still find today distant rural mountain valleys in the European Alps, which despite their natural beauty and tourism potential continue to live from farming, hunting or forestry. These potential tourist destinations have never developed at all at least in part for lack of entrepreneurship. We can similarly observe often within short distances and with the same natural tourism potential in terms of topography or climate, resorts which have become global destinations while 5 – 10 km further back in the valley villages have remained sleepy with fractional or minute tourism. If one traces the initial tourism development in these places one invariably recognizes a few pioneering entrepreneurs, who have got involved in getting tourism started early and on a relatively large scale in one place, while as partition farmer/part-time more risk-averse tourism entrepreneurs have survived in other places (examples e.g. Galtuer, Ischgl). Thus the initial endowment of entrepreneurial talent in the first phase of the destination life cycle has varied greatly even across such small regions as has been the case with the European Alps. Cultural differences, and/or early access and involvement with trade may have been other reasons for regional differences in historical endowments with entrepreneurs (see e.g., Ardichvili, 2001; Bird, 1989; Birkinshaw, 2000; Busenitz & Lau, 1996).

A second equally important impetus for early tourism and entrepreneurial development in this first life cycle phase comes from those first customers who discovered alpine resorts. Although such first tourists typically share a sense of individualism and taste for adventure they arrived and discovered potential resorts at different times in history and came from different socio-economic backgrounds. Those were adventurous British aristocrats e.g. at an early stage at the turn of the 20th century who traveled for mountain climbing mainly to the Swiss Alps, years later when skiing and mountain climbing became

more popular and alpine and ski clubs were formed particularly in Germany, Austria, Northern Italy and France many more alpine destinations across the European Alps were discovered and local entrepreneurs came in touch with these first alpine tourists (Peters & Weiermair, 2001b). The fact that many of the first luxury hotels came into existence in those places where well to do British mountain climbers appeared first while more modest alpine inns and mountain resorts were developed where local entrepreneurs came more in contact with less well to do adventure skiers and mountain climbers, was therefore no accident.

Thus entrepreneurship in the form of either risk taking entrepreneurs and/or pioneers initiating the first cableways or on the other hand less risk taking part time tourism entrepreneurs was shaped during the first stage of the tourism destination life cycle. Invariably all were family entrepreneurs relying on their own resource base, at times supported by local banks and who developed alpine tourism at a small scale in term of enterprise size and they produced and marketed relatively simple products and services, which they perceived as the only necessary tourism requirements in terms of their observation and experience with their first customers (tourists). Given the small scale of entrepreneurship and initial size of the tourist market there was little competition among entrepreneurs, in many places tourism had been developed by a handful of “alpine valley lords” (Peters & Weiermair, 2001b; Weiermair, 2001).

ENTREPRENEURS AND ENTREPRENEURIAL BEHAVIOR DURING THE TAKE OFF OR FAST GROWTH PHASE OF THE DESTINATION LIFE CYCLE

Although the timing of the take off or high growth phase varied in alpine destinations across the European alps (with more distantly located destinations, e.g., back-valleys having started much later) the make up, characteristics and size configuration of tourism enterprises as well as the professional qualification of their entrepreneurs seem to have been very similar. Most of the entrepreneurs represented owners/managers of small and medium sized family enterprises, who had little prior experience and/or qualification e.g., before they were primarily into farming or brought minimum entrepreneurial qualifications of some secondary level vocational preparation (Tschurtschenthaler, 1998). Less than 1 % of those working in the tourism industry had some form of tertiary schooling (Weiermair, 2000). Although, as mentioned before the take off phase had come already in the 1920es and 1930ies for some destinations, most other destinations profited from the rapid rise of post war economic growth and prosperity. The latter translated into two-digit growth figures for tourism arrivals in many of the newly established alpine destinations throughout the late 50ies, 60ies and 70ies. As to be expected entrepreneurs at the time attempted to capitalize on what they perceived to be the greatest value and/or tourism attraction, e.g. location in the form of natural tourism attractions combined with local-culture, - food and -services. The biggest challenge for entrepreneurs was to replicate or multiply this early success formula as tourists came soon in large masses. In most destinations this meant a quantitative expansion in terms of numbers of establishments or bed size capacity.

The expansion was financed largely through collaterally secured bank credits, equity and/or risk capital were barely used. Given the relative lack of management know-how most entrepreneurs availed themselves of business consultants for negotiating financial conditions and for managing growth. Very few, if any of these self-made entrepreneurs, made the jump into becoming a corporation (Weiermair, 1999). Banks on the other hand were very eager to lend money based on the existence of available access which anticipated tourism growth. Management concepts or strategic business plans were neither required nor used (Hartl, 1999). Many if not most of the pioneering entrepreneurs from the imitation phase also continued their style of leadership and organizational philosophy, emphasizing their personal and time intensive attention to customers, keeping a strong hierarchical if not autocratic control of their employees and had to cope with working weeks of well beyond 60 hours instead of delegating work (Peters, 2004). With the evolution of mass tourism in the 80ies

and 90ies many of the tourism enterprises and their entrepreneurs were ageing and the authenticity of small scale and personalized tourism production and marketing became a real challenge. Retrospectively the fast growth and expansion of tourism in those years had necessarily lead to some standardizations of production and high financial leverage and was incompatible with the qualification and leadership behavior of the older entrepreneurial generation (Weiermair, Fuchs, Peters, & Rijken, 1999). Towards the later part of the 80ies and the beginnings of the 90ies tourism markets turned, customers became choosier and quality oriented, some sending countries such as the USA reduced their numbers other sending regions notably from Asia increased numbers. For many regions and many enterprises and entrepreneurs a phase of consolidation and saturation had started, which caught many entrepreneurs by surprise.

ENTREPRENEURIAL REQUIREMENTS AND ENTREPRENEURSHIP IN THE SATURATION/STAGNATION PHASE OF THE DESTINATION LIFE CYCLE

Securing financing it was mainly bank credits that were among the primary required entrepreneurial activities in the take off/high growth phase of the 70ies and 80ies together with abilities to manage larger sized businesses or several enterprises. Looking back at the life cycle phase of creating and managing alpine mass tourism there was relatively little demand for the true “Schumpeterian entrepreneur” who is bent to create new products, new markets, new methods of production and/or marketing through innovation and/or creative destruction of old market arrangements (Schumpeter, [1934] 1961, [1949] 1989). But just as the Schumpeterian entrepreneur was called for at the beginning of the destination life cycle, he becomes again equally important towards the saturation point of the DLC. With customers searching for new tourism products and/or –experiences and rapidly changing tourism market structures, -processes and –results on account of the twin forces of rapid technological change and globalization during the consolidation/saturation phase of the DLC there is a need for creative entrepreneurship. Contrary to the “arbitrageur” who prospers in terms of high growth mainly through a redistribution of wealth with relatively little risk turbulent markets call for far more strategic foresight, risk taking and innovation (Weiermair & Peters, 2002). And all of these entrepreneurial virtues require in the first place a much deeper understanding and insight into the needs and wants of customers (tourists) across the globe. In a fragmented market such as alpine tourism where local entrepreneurs were strongly influenced by a variety of regional economic and political conditions and institutional arrangements (such as e.g., locally sheltered banking and land use regulations, non availability of certain globally available resource etc) the entrepreneurial challenge to reengineer tourism out of saturation and/or declining market into the “new tourism” (Weiermair, 2001) was indeed a task of a tall order.

Challenges by market forces which call for either strong product and quality differentiation and/or the creation of USPs` for tourism enterprises or at the other extreme relative cost advantages and associated scale economies for market positioning entrepreneurs are forced to move out of the strategically dead but crowded middle market positions of average price and quality (Weiermair & Kronenberg, 2004). How much of the evolving new entrepreneurial elite, which presently is transforming markets, is a product of existing market pressure and how much is attributable to existing resource endowments? This may not be the right place to discuss the double causality of markets and entrepreneurship in term of whether entrepreneurs create markets as Schumpeter would have put it or whether markets and market condition create entrepreneurs as Kirzner and others (see e.g., Beng, 1996; Peters & Weiermair, 2001a) would have it. Whatever the causality there can be no question that today’s entrepreneurs working in saturated or even declining markets where DLCs have evolved very far, face much more complex, and much more risky/costly entrepreneurial tasks. The following are some of the requirements for entrepreneurs working in turbulent, saturated and/or declining tourism markets:

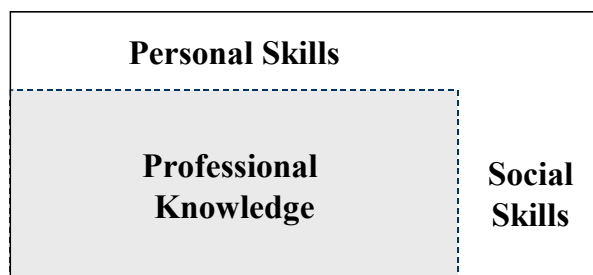
- Having clear visions of evolving customer needs, markets and market requirements and/or

- Availing themselves of requisite market research information in order to calculate risk properly
- Ability to delegate, source out and form different types of contractual and partnership alliances and in this context
- develop new business models, new organizational structures and new forms of financing, where
- risk or venture capital increasingly become the most important source of financing new products or new markets
- An ability to manage change in terms of affecting institutional inertia, outdated mindsets and/or vested and ineffective interests
- Ability to deal with and understand the impact of information technology upon the production and marketing of tourism services and experience (→etourism)
- An ability to deal with and understand the complexity of service, product or experience quality for customers (tourists) located in various parts of the world and in this context
- an ability to plan and think globally and translate this into local requirements and finally to
- lead and motivate people in the organization through appropriate working structures and incentive systems thereby providing for excellence in the service encounter.

Beside these areas of qualifications and skills the literature in entrepreneurship research has identified a number of so-called personal and social skills that might call for additional teaching units in entrepreneurship education (Carter & Collinson, 1999; Kao, 1989; Legohérel, Callot, Gallopel, & Peters, 2004; Li, Zhang, & Matlay, 2003). Beside technical and conceptual skills interpersonal skills point out the relationship with people (Cunningham, 1995; Ripsas, 1998). Thus, the entrepreneur can also be described as a social architect (Bennis & Nanus, 1986) or as a person that is an expert in the promotion and protection of values (Peters & Waterman, 1982).

To conclude and summarize the discussion of entrepreneurial skills two main areas of competences can be derived: the context of the entrepreneur acting in a local tourism market that might be called an ‘archetypical’ entrepreneurial market characterized by small and medium-sized enterprises, calls for decision makers with (1) personal, social and self-management competences and (2) a sound economic knowledge to tap new resources and add value. It is the combination of these traits educational systems have to focus on to ensure creating knowledge through research as well as educating practitioners. This could also be defined as ‘integrated skills approach’.

Figure 4
Integrated Skills Approach In Entrepreneurial Education



Concentrating on entrepreneurial key competences i.e. social and self-managerial competences and personal success factors to either (further) strengthen personality traits important for potential entrepreneurs or at least to create an understanding of the entrepreneurial mind set is in itself a way to educate successful entrepreneurs in the Schumpeterian sense and thereby enhances employability – especially on a fragmented tourism (employment) market. This is especially relevant for the tourism industry, taking the characteristics of the tourism product into account. Graduates are either encouraged to start-up their own business, to take over the family business or to develop a way of thinking and behavior that enables them to meet the challenges of the ‘new tourism’ market.

With the exception of the second stage or phase of the DLC where business success seems to have been somewhat pre-programmed and most product/service portfolios constituted cash cows the previous list of 10 requirements or shall we say 10 commandments for successful entrepreneurship in tourism as well as personal and social skills seem to be required both in evolving or new destinations and in saturated old and/or declining destinations. We would also propose that this be true not only in the context of alpine destinations but everywhere else in the world where tourism initially starts at small scale in fragmented markets. One way to test at least partially for the varying importance and role of entrepreneurship in tourism development is to investigate tourism curricula with respect to the teaching of entrepreneurship and entrepreneurial skills across the globe which is undertaken next.

KNOWLEDGE TRANSFER, TEACHING METHODS, AND HIGHER EDUCATION IN TOURISM

As outlined earlier entrepreneurship education is as much about professional qualification and knowledge creation as it is about developing character traits that carry the ‘entrepreneurial spirit’ and it is multidisciplinary issues that have to be dealt with in the classroom to develop these key qualifications in learners. The ability to deal with complex mechanisms which enable the learner to successfully manage new situations and transfer knowledge to new experiences and therefore, the ability to generate new behavioural patterns and concrete actions (Ripsas 1997, p. 234) has to be the focal point in the process of knowledge transfer. Lecturers dispose of the following methodical mixtures when teaching entrepreneurship modules:

Figure 5
Teaching Methods In Entrepreneurship Education

Teaching Methods	Entrepreneurial ability trained	Type of Learning
Lectures and frontal teaching	Absorbing information for decision-making processes.	->information based/receptive learning
Case studies and group work	Applying knowledge to real-life situations	<i>->active (collaborative) learning drawing on analytical processes</i>
Tutorials	Reflecting on, drawing on, applying and sharing knowledge	->active learning through personal coaching
Project assignments	Research and apply knowledge	<i>->active independent learning</i>
Self-directed learning projects	Decision making	<i>->active, independent learning</i>
Discussions with experts from the field	Drawing on knowledge of others	<i>->active and self-directed learning</i>
Business plan games	Decision making, applying knowledge	<i>->active learning drawing on analytical processes</i>
Role plays and simulations	Learning by doing, applying knowledge	<i>->active, collaborative learning</i>
Field trips	Training observation, analytical skills	<i>->active learning in real-world context</i>
Internships	Learning by doing, applying knowledge models	<i>->active learning by doing and through role</i>

Source: Mössenlechner & Siller 2005

If we define learning as a process that refines key qualifications resulting in long-term behavioral change that can be achieved best through active learning processes involving the learner we can – at the same time - widen his room for maneuver and we turn students from ‘fact collectors’ into ‘fact users’.

Providing a curriculum for the tourism and leisure industries that educates the owner-manager, the business founder as well as the co-worker or entrepreneur would clearly be a contribution to ensure quality in the tourism service sectors.

Out of 41 universities and institutes of higher education in Austria, Germany and Switzerland in the field of tourism management only 6 institutions do provide a focus on entrepreneurship and tourism (Management Center Innsbruck, 2005).

Although most of the institutions do provide individual modules in e.g. strategic management which could clearly form part of an ‘Entrepreneurship Education Program’, they do not appear in the list below (see Figure 6) as they do not have an explicit focus pointing at Entrepreneurship Education.

Figure 6
Coverage Of Entrepreneurship In Tourism Curricula In Austria, Germany And Switzerland

Degree	Institution	Country	Module Title	Weblink
Bachelor of Arts (UAS)	Management Center Innsbruck (MCI), Tourism Business Studies	Austria	Entrepreneurship integrated in Core Studies	http://www.mci.edu
Master of Arts (UAS)	Management Center Innsbruck (MCI), Entrepreneurship in Tourism and Leisure	Austria	Entrepreneurship as Program Focus	http://www.mci.edu
Master of Arts	Universität Innsbruck, Business Administration	Austria	Entrepreneurship integrated in Core Studies	http://www.uibk.ac.at
Bachelor of Arts (UAS)	Hochschule Chur, Tourism and Hospitality	Switzerland	Entrepreneurship integrated in Core Studies	http://www.fh-htachur.ch
Master of Arts	Katholische Universität Eichstätt/Ingolstadt, Business Administration	Germany	Entrepreneurship integrated in Core Studies;	http://www.ku-eichstaett.de
Master of Arts	Universität Trier; Business Administration	Germany	Entrepreneurship integrated in Core Studies;	http://www.uni-trier.de
Master of Arts	Universität Lüneburg; Business Administration	Germany	Entrepreneurship integrated in Core Studies;	http://www.uni-lueneburg.de

Out of these 7 programs, MCIⁱ, a University of Applied Sciencesⁱⁱ in Austria, provides the clearest focus on teaching entrepreneurship for the tourism sectors. As a sort of red thread the idea of the entrepreneur as an innovator is dealt with across all subjects in the curriculum, students are provided with the necessary scientific, quantitative and qualitative tools to develop their ideas. Additionally, they are urged to work with practitioners – some of them working as professors at the UAS – who help them to analyze strategic, economic, competitive, human and political complexities. The curriculum consists of topic blocks that are related in content, with the goal of developing sound entrepreneurial approaches.

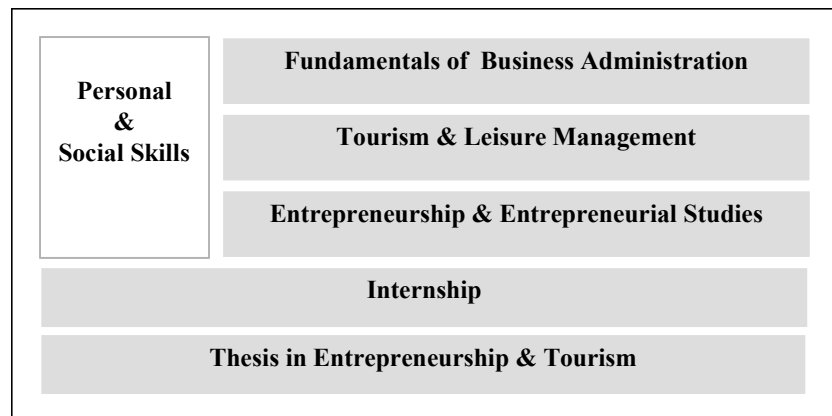
Right from the starting point students are encouraged to carefully examine key success factors in tourism business but at the same time see the connections between the various subjects.

They are furnished with the necessary professional know-how in business administration to gradually accumulate a general scientific understanding of economic theories, business models, organizational behavior and the like. At the same time they have to ‘test’ this knowledge by applying it through conducting project work assigned by professors who are actually practitioners from the field.

Embedded in the curriculum are teaching modules targeted at educating, fine-tuning and strengthening personal and social skills e.g. communication and team skills, cross-cultural teamwork, presentation skills, self-management skills etc.

To make students use and integrate the facts they have studied, they have to actually work in the field and do an internship as an integrative part of their degree study program.

Figure 7
Teaching foci in the MCI Tourism Degree Program



However, the MCI also faces problems in terms of implementing an efficient tourism degree program: To balance the goals of the entrepreneurship program with the needs of the participants and the (tourism) market it is vital to create the right ‘group mix’ enabling the single group members to learn from each other and to together create knowledge in a constructivist sense. Therefore, a careful selection process regarding program participants is absolutely necessary. A lot of applicants for the MCI Tourism Program are high school graduates who want to continue their education and in order to compose mixed groups consisting of people with practical experience, motivation, some know how and the willingness to share their knowledge and network, they are tested for their (a) theoretical know how and occupational aptitude (written entrance paper) as well as for their (b) personal goals and social skills (interviews). This selection process, however carefully conducted, can be very difficult with young applicants who are still in an early stage of their personal development.

CONCLUDING REMARKS

As Li et al. (2003) already stated the review of entrepreneurship education should be contextualised within the context of the emergence of SMEs during the last decades. This holds true for the tourism industry: on the one hand entrepreneurship in tourism has to deal with the characteristics of the industry, such as e.g., succession planning, family business management or destination co-operations. On the other hand the authors could highlight the important role of social and personal skills within the context of entrepreneurial growth: the challenge for tourism education lies in finding the right mixture between the transfer of general and professional skills and social/personal skills and at the same time, in balancing the efficiency of entrepreneurship education in tourism. Focusing on entrepreneurship in tourism and leisure can be an internationally successful niche for universities and therefore need strong international networks in terms of students’ and research exchange and know-how transfer.

Tourism research could focus on the explanation and empirical validation of destination life cycle phase development and the corresponding entrepreneurial culture. This leads to the exploration of the linkage of enterprise and destination life cycles and their interrelations in the growth process.

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ⁱ The MCI Tourism Degree Program has been in existence since 2000 and has had a clear entrepreneurial focus from its starting point. Currently the program is being restructured to match international Bachelor's and Master's Program Frameworks.

ⁱⁱ Universities of Applied Sciences (UAS) in Austria were introduced in 1994. An UAS degree program is "equivalent to but different from"(*government bill for law on Universities of Applied Sciences of 1993) a traditional university degree program and is characterized in particular by its close relations with trade and industry, its practice orientation and customer focus, a strictly organized program schedule and a highly service-oriented approach.

MANAGERIAL EXPECTATIONS FOR NEW HIRES: SIMILARITIES BETWEEN VACATION OWNERSHIP AND TRADITIONAL LODGING

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ABSTRACT

The timeshare industry is the fastest growing segment in the hospitality industry. With this growth is the need to attain qualified managers. The purpose of this study was to discover if there were any significant differences between traditional lodging managers and timeshare managers based upon a manager's knowledge, ability, and attitude related to their job duties. The study found no significant differences indicating similarities between the two segments opening the possibility of crossover from the traditional lodging segment to the timeshare segment in order to fill the vacancies in this dynamic market.

KEYWORDS: timeshare; vacation ownership; lodging management; job competencies; new-hires

INTRODUCTION

The hospitality industry continues its dominant position as the world's largest industry. The World Travel and Tourism Council reports that in the year 2005 the global hospitality industry will generate \$6,201.49 billion in economic activity representing 10.6% of worldwide gross domestic product (GDP). Further, the industry will be responsible for 221,568,000 jobs or 8.3% of total employment around the world (World Travel and Tourism Council, 2005). Economists predict continued growth for hospitality and tourism at an annualized rate of 4.6% between 2006 and 2015 (World Travel and Tourism Council).

Due to its sheer size, the hospitality industry has an ongoing need for qualified managers to fill roles within its various industry segments. Of its many sectors, growth within the accommodations sector is especially rapid (American Hotel and Lodging Association, 2005). One sub-segment of the accommodations segment is vacation ownership, often referred to as timeshare or fractional ownership. In a market analysis report provided by the American Resort Development Association (ARDA), the vacation ownership industry was reported as having grown nearly 1000% between 1980 and 1999 making it the fastest growing segment of an already rapidly-expanding hospitality industry (ARDA, 1999). Indeed, with a growth rate often exceeding 10% per annum it becomes obviously difficult, if not impossible, for vacation ownership resorts to locate talented, qualified, educated workers (ARDA).

The growth rate within the vacation ownership segment does not appear to be decelerating. With many consumers opting for shorter vacations, timeshare has emerged as a viable option – affordable, desirable, and convenient – for the traveling public (ARDA). Scoviak (2003) states that with 2.7 million timeshare owners in the U.S. and 6.2 million timeshare owners worldwide, this truly global phenomenon has a plethora of development opportunity. Of the 5300 resorts around the globe in 95 different countries, 1600 are located in the U.S. (Scoviak). Crotts and Ragatz (2002) add that growth will continue based upon the high satisfaction that owners of timeshare resorts already demonstrated in the United States. According to their research, 55% of timeshare owners in the U.S. reported being very satisfied with their vacation ownership purchase and 29% stated they were somewhat satisfied. Upchurch (2002) similarly found in his longitudinal survey of owners (1996-2001) that his survey respondents had actually increased their reported overall satisfaction levels from 73.0% (very satisfied or satisfied) in 1996 to 88.3% (very satisfied or satisfied) in 2001.

While the hospitality industry continues to grow and evolve, institutions of higher education have only recently begun preparing hospitality managers with college degrees specifically focused on tourism and hospitality. Indeed, the first program in the United States at Cornell University has been in existence for just over 80 years (Cornell University, 2005). Most hospitality management baccalaureate programs, however, have emerged only in the past two decades making the possession of a college degree in specifically in the field of hospitality a rarity among accommodations managers (Guide to College Programs, 2004). As late as the year 2001, only 8.46% of 2009 baccalaureate-degree granting institutions in the United States featured hospitality management programs (Digest of Education Statistics, 2002).

More specifically, the vacation ownership industry offers even sparser opportunities for study at the college level. Indeed, only five baccalaureate-level programs offer specific courses and educational offerings related to this segment of the hospitality industry (Atkinson, 2005).

Nuances Of Vacation Ownership Versus Traditional Lodging

Some of the growth is a result of the entrance of the major hotel firms into the timeshare industry (Woods, 2001). The major hotel firms are benefiting from their timeshare division of their company as they continue to bounce back from the post 9/11 travel slump and the effects of corporate cutbacks (Gose, 2003). Hotels are also benefiting because of their experience in guest service. Based on the fact that timeshare ownership is a long-term commitment to a company the relationship and trust given to the operation's management is essential.

Based on the fact that owners of a deeded property resort have control of who manages the resort in the timeshare industry the developer must ensure that the owners have their expectations continually met or exceeded to maintain the management contracts. Working with owners who stay longer than the average hotel guest that has more vested in the product can offer the timeshare manager many challenges. The manager will be faced with a more demanding public that is loyal to the product with higher expectations (ARDA, 2002).

Managerial Competency Expectations For The Lodging Industry

Katz (1955) produced seminal work on the importance of specific competencies for business managers. This was a change of thought from earlier personality-based or inherent-trait-based theories that focused on innate abilities that managers were supposedly born with instead of having learned as necessary job competencies to enhance actual work performance (Mintzberg, 1973). Katz suggested three major skills or competency areas: technical, human, and conceptual. Technical referred to basic knowledge, human referred to attitudinal skills, and conceptual more to the ability one possessed in his or her specific occupation.

One of the first competency based studies in the lodging industry was performed by Sapienza (1978) where he convened a selected group of Nevada hotel executives and had them rank order the importance of various courses then offered at the University of Nevada's College of Hotel Administration. Sapienza inferred important job competencies from this simple rank ordering and listed the importance of accounting, food and beverage, and human relations courses.

Guglielmino and Carroll (1979) replicated the work of Katz (1955) by focusing on mid-level managers. Likewise to Katz' previous work, Guglielmino and Carroll also identified a hierarchy of management skills within the three areas of technical/knowledge, human/attitudinal, and conceptual/ability. Mariampolski, Spears, and Vaden (1980) further strengthened competency research within hospitality management, specifically applied to food and beverage managers.

Tas (1983, 1988) completed the first major work on competencies specifically for accommodations (lodging) managers. Finding no previously prepared instrument for hotel manager trainees he used a multi-stage endeavor to develop his instrument (Tas, 1983). Tas found (1983) that hotel managers rated competencies with varying levels of importance and suggested that competencies could serve as the basis for curriculum development or refinement of existing curricula within hospitality management programs. Over time, Tas (1988) and Getty, Tas, and Getty (1991) strengthened, refined, and further validated their research instrument to identify specific competencies for lodging/accommodations managers.

Over the past two decades, the lodging competency research has expanded to include foci on human relations competencies (Ashley, et al., 1995; Tas, LeBrecque, & Clayton, 1996; Hsu, Gilmore, & Walsh, 1992; Okeiyi, Finley, & Postel, 1994), communication skills (Knight & Salter, 1985), technical skills (Jonker & Jonker, 1990), creativity (Hanson, 1993), and the strength of the relationship between hotel management courses and industry required competencies (Lin, 2002). While job competency research has expanded within the domain of hotels and, in general, public accommodations, there is a lacuna in the research regarding job competency research specific to the vacation ownership industry. Based on this the question is posed to whether a difference exists between job competency expectations for new management hires in traditional lodging facilities (i.e., full service hotels, limited service hotels, extended stay hotels, etc.) compared to vacation ownership properties.

METHODOLOGY

Lodging managers located in the state of Florida were asked to participate in the study. A questionnaire was created after both an extensive review of the literature and two focus groups. Both focus groups consisted of lodging managers; the first group also included two higher education professors of hospitality management, and three lodging human resource directors. The focus group meetings were conducted in early 2004. In the first

group, participants were asked to identify as many job competency expectations for new lodging managers as they could provide. Job competencies were consolidated and rank ordered. The eventual listing of 40 job competencies was almost identical to those found in recent job competency literature (Chung-Herrera, Enz, & Lankau, 2003; Tas, 1983, 1988; Tas et al., 1996).

A questionnaire was administered to the second pilot study group of 50 lodging managers located in the southern portion of the state of Florida. Researchers refined, reordered, and rephrased questions after receiving feedback from this second focus group activity. All 50 questionnaires were returned from the pilot study.

An analysis of the 50 questionnaires from the pilot study was performed using the Statistical Package for the Social Sciences (SPSS[®]), Version 11.5 (2003). The maximum likelihood procedure was utilized to extract factors. Kaiser's rule was used to determine which factors were most eligible for interpretation. These factors explained roughly 74.08% of all the variable variances. Additionally, respondent ratings of knowledge, ability, and attitude were judged to be highly reliable for the managers to whom it was given with a reliability factor of .9509 (often referred to a Cronbach's Alpha).

Lodging manager members of the Central Florida Hotel and Lodging Association (CFHLA) were targeted for distribution of the final questionnaire. The CFHLA is credited as being the largest regional trade hospitality organization of its kind in the world (Central Florida Hotel and Lodging Association, 2005). Additionally, the central Florida/greater Orlando MSA has over 120,000 hotel rooms and is considered the second largest offering of lodging facilities in the United States (Central Florida Hotel and Lodging Association). It is the contention of the researchers that the diversity and variety of lodging facilities in the central Florida/greater Orlando MSA make an ideal venue for contacting lodging managers.

At the time of the study, there were 156 registered members of the CFHLA under the category of accommodations. An attempt to survey the census of lodging members was undertaken using a survey research procedure that permitted respondents to complete the survey either in an on-line format or via paper and pencil.

Of the 156 possible respondents, 137 replied with usable data for a response rate of 87.82%. Several follow-up attempts and several methods (telephone, regular mail, electronic mail, etc.) permitted for a high response rate. Demographic information of the respondents is included in Table 1.

Table 1
Lodging Manager Demographic Information

<u>Demographic Information (n=137)</u>	<u>Frequency</u>	<u>Percent</u>
Currently employed at a lodging facility (n=137)	137	100.00
Currently employed as a lodging manager (n=137)	137	100.00
Gender (n=137)		
Male	109	79.60
Female	28	20.40
Years worked in the lodging industry (n=137)		
2 or more, but less than 5	2	1.50
5 or more, but less than 10	11	8.00
10 or more	124	90.50
Held a baccalaureate degree (n=94)		
Yes	94	68.60
No	43	31.40
Held a hospitality baccalaureate degree (n=34)		
Yes	34	36.20
No	60	63.80

Further, lodging managers reported the type of property where they were currently employed. Using common industry classifications of lodging facilities according to Walker (2004), the researchers offered five different choices shown in Table 2. Just under one fourth of the respondents were in the vacation ownership segment of the lodging industry (24.10%).

Table 2
Type of Lodging Facility Employing the Manager

<u>Type of Lodging Facility (n=137)</u>	<u>Frequency</u>	<u>Percent</u>
Extended Stay	29	21.20
Full Service	7	5.10
Resort	63	46.00
Timeshare/Vacation Ownership	33	24.10
Bed & Breakfast	5	3.60

In order to discern any difference between lodging and timeshare managers, the managers in the Extended Stay, Full Service, and Resort segments were compared to the Timeshare managers. The Bed and Breakfast managers were not included in this study because of the apparent differences present in running a bed and breakfast inn compared with a timeshare resort. Because timeshare resorts represent a smaller portion of the lodging product (Woods, 2001), the comparisons of 99 lodging managers versus 33 timeshare managers are both representative and valid. The groups were recoded and all of the lodging segments were coded into one group and the timeshare managers were coded into another group for comparison. For the purpose of this research, the two different groups will be referred to as lodging managers and timeshare managers.

Due to the fact that a comparison was made between two groups, each discriminant analysis consisted of one function (Hair, Anderson, Tatham, & Black, 1998). Wilks' lambdas were calculated to determine statistical significance and Eigenvalues were calculated to determine variance. Means and standard deviations were included to decipher any other underlying relationships present.

RESULTS

The results show that there are many more similarities than differences between lodging managers and timeshare managers' perceptions for new-hires based on knowledge, abilities, and attitude professed by managers as important to success in the manager's respective segment.

Table 3
Knowledge Needed by New Hires

Knowledge A new hire in my lodging facility who holds a bachelor degree in hospitality management Should have...	Lodging Managers		Timeshare Managers		Sig.	Total Sample	
	Mean	St. Dev.	Mean	St. Dev.		Mean	St. Dev.
Knowledge of the realities involved in this type of work	4.34	0.84	4.20	.447	.709	4.34	.825
Knowledge of basic terminology used in the lodging industry	4.39	.827	4.20	.447	.604	4.39	.816
Knowledge of lodging management practices	4.08	.865	4.40	.548	.419	4.09	.856
Knowledge of guest service standards	4.33	.815	4.40	.548	.841	4.33	.805
Knowledge of hospitality products and services	4.16	.809	4.40	.548	.511	4.17	.800

Note. 5 = Strongly Agree is Important, 1 = Strongly Disagree is Important

There was a single discriminant function with a Wilks' lambda of .970, Eigenvalue of .031, and significance of .537. Therefore, no multivariate effect was evident to differentiate lodging managers and timeshare managers based upon the knowledge necessary to succeed in each manager's respective segment.

Table 4
Ability Needed by New Hires

<u>Ability</u>	Lodging Managers		Timeshare Managers		Sig.	Total Sample	
	Mean	St. Dev.	Mean	St. Dev.		Mean	St. Dev.
A new hire in my lodging facility who holds a bachelor degree in hospitality management should have the...							
Ability to be caring and empathetic with guests	4.52	.776	4.60	.548	.809	4.52	.768
Ability to balance the needs of multiple guests at one time	4.23	.846	3.93	1.011	.669	4.24	.845
Ability to generate an attitude of trust among co-workers	4.34	.818	4.14	.990	.485	4.35	.810
Take personal pride in satisfying the needs of others	4.41	.873	4.60	.548	.629	4.42	.863
Define self as empathetic to the needs of others	4.14	.892	4.40	.894	.530	4.15	.890
Have the tendency to seek out positive solutions as opposed to avoiding negative outcomes	4.35	.771	4.60	.548	.472	4.36	.764

5 = Strongly Agree is Important, 1 = Strongly Disagree is Important

There was a single discriminant function with a Wilks' lambda of .993, Eigenvalue of .007, and significance of .989. Therefore, no multivariate effect was evident to differentiate lodging managers and timeshare managers based upon ability required to succeed in the manager's respective segment.

Table 5
Attitude Needed by New Hires

<u>Attitude</u>							
A new hire in my lodging facility who holds a bachelor degree in a field OTHER than hospitality management should...	Lodging Managers		Timeshare Managers		Sig.	Total Sample	
	Mean	St. Dev.	Mean	St. Dev.		Mean	St. Dev.
Prefer solving problems over following standard procedures	4.02	.882	4.00	1.225	.970	4.01	.891
Prefer each day to be different over each day being the same	3.92	.891	3.80	1.095	.776	3.91	.895
Prefer a flexible work schedule with varying hours	4.10	.898	4.40	.894	.463	4.11	.897
Believe hard work is rewarded through promotion	3.98	.937	3.80	1.095	.965	3.97	.939
Prefer creative work over analytical work	3.56	.858	3.20	.447	.920	3.37	.916

Note. 5 = Strongly Agree is Important, 1 = Strongly Disagree is Important

There was a single discriminant function with a Wilks' lambda of .983, Eigenvalue of .018, and significance of .971. Therefore, no multivariate effect was evident to differentiate lodging managers and timeshare managers based upon the type of attitude required to succeed in the manager's respective segment.

CONCLUSIONS & IMPLICATIONS FOR THE INDUSTRY

Matching ideal candidates to future roles as managers in the hospitality industry has been an ongoing challenge for practitioners. As such, researchers have focused on studying specific job competencies expected of future lodging managers that are perceived by said managers to lead to industry success in the lodging and hospitality industry (Chung-Herrera,ENZ, & Lankau, 2003; Guglielmino & Carfoll, 1979; Katz, 1955; Tas, 1983, 1988; Tas et al., 1996; Sapienza, 1978). Over the past few decades, job competency expectations for new-hires in the accommodations sector have focused on three main competency areas: *knowledge*, *skills*, and *ability*. In the work of Tas (1983, 1988) and Tas et al. (1996), these three competency areas were refined through further development of their research

instrument. The current authors further refined the instrument and subjected it to factor analysis and reliability tests among the managers administered.

The current results indicate no statistically significantly different findings between managerial job competency expectations held by timeshare managers for new-hires into the industry compared to other lodging manager groups (i.e., limited service, full service, resort, etc.). While anecdotal information suggests that timeshare is a different breed of operation from traditional lodging facilities, the survey respondents indicate no difference in their intended hiring “types” for future managers. Further, these non-statistically significant findings were present on each and every concept, *knowledge*, *skills*, and *ability* as well as on each sub-statement leading to the building of such concepts.

Implications for the industry indicate that professionals in the burgeoning timeshare industry may indeed recruit and hire from the best lodging management higher education programs, if indeed these findings are indicative of the true sentiment among global timeshare managers. While a census was attempted of the Central FL Hotel & Lodging Association lodging members and an 87.8% response rate obtained, indeed one must caution the small sample size. Nonetheless, this study was performed in central Florida/greater Orlando which has the highest concentration of timeshare/vacation ownership properties in the United States (ARDA, 2004). Nonetheless, the findings should only be generalized to the population under observation.

Future research is necessary to 1) further strengthen the job competency concept areas of *knowledge*, *skills*, and *ability* as the accommodations industry is ever-changing; 2) broaden the scope of locales where timeshare or vacation ownership managers are employed to include not only a wider United States representation, but a more varied and diverse global perspective; and, 3) study the differences, if any, between vacation ownership/timeshare new-hire expectations compared with all other hospitality industry segments.

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A CROSS-CULTURAL STUDY OF TOURIST SHOPPING BEHAVIOR: EXAMINING THE TAIWANESE INBOUND MARKET

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ABSTRACT

This study attempts to examine tourist shopping behavior dynamics in a cross-cultural context. More specifically, this research develops and presents the structure of tourists’ shopping behaviors of different nationalities, based on the tourists’ expenditure preference patterns on six different product categories. The 2001 Survey of Taiwan Inbound Travelers was used for this study, and One-way ANOVA and cluster analysis were employed for the analyses. From the cluster groups identified, the results suggest that some distinctive shopping preferences and acquisition patterns exist among the tourist shoppers to Taiwan. Furthermore, the observed shopping preference patterns of tourists from different countries are examined and compared.

KEYWORDS: Shopping Behavior, Cross-Cultural, Taiwan

INTRODUCTION

Preference, motivation and meanings of tourists shopping may vary among tourists of different country or cultural backgrounds, as “symbolic association with goods is culturally grounded (McCracken, 1986).” Empirical evidences have supported this proposition. Research has showed that tourists of different nationalities exhibit different preferences and spending patterns toward certain types of goods (Ngamsom, 1998). Secondly, objects acquired during trips to other cultures or countries are valued because of “differences” or authentic characters they hold for the tourists (Littrell, 1990). Lastly, there is indication that exotic and culturally unique items are favored and more appreciated by people from distant culture or country.

Littrell (Littrell, 1990), therefore, expressed the significance and a need for a further exploration of the subject of tourist shopping through cross-cultural approach. Several authors have also observed that motives and preferences of tourists' shopping behaviors are likely to be determined by the tourists' cultural backgrounds (Littrell, 1990; Moscardo, 2004; Park, 2000). However, there has been no empirical or theoretical research effort that comparatively examine the structure of similarities or dissimilarities that might exist among different groups of tourists of different cultural or national backgrounds in cross-cultural perspectives.

The purpose of this research is to examine international tourists shopping behavior dynamics in a cross-cultural context, specifically looking at the structures of expenditure patterns. The research will contribute significantly to the tourism shopping literature in two facets. Conceptually, it attempts to synthesize and apply cross cultural theories and perspectives to the tourism shopping context. Secondly, it is significant because deepening understanding of international tourists' shopping behavior will contribute to the knowledge of retail and souvenir industry.

LITERATURE REVIEW

Does national/cultural backgrounds matter in tourism shopping?

Tourism shopping typology studies indicate that shopping can be hedonistic/entertaining or functional/utilitarian (Jones, 1998) and it can be culturally and socially oriented as tourism shopping is seen as serving a crucial role in constructing and displaying tangible instantiations of cultural otherness (Gecser and Kitzinger, 2002). While shopping behavior could be dependent on various situational factors, growing tourism and consumer behavior literature on tourists' shopping has suggested there are evidences that motivation, attitude, preference pattern that people holds for shopping as tourists might considerably differ by their cultural backgrounds. In other words, culture could bear enduring effect and connotation on tourism shopping.

To begin with, individuals often identify objects purchased during a vacation as among their most valued possessions, and one of the main reasons is that it was from their unique trip experience in a foreign country or culture (Littrell, 1990). In a study to develop profiles of tourists based on the meaning that textile crafts hold for international tourists, Littrell (1990) found that some tourists identified that their favorite object are valued because of the item's foreign or authentic character. For other groups of tourists, memories of special trip experiences were tied to the significance of their cherished crafts, not to the culture or country visited, however, the major contexts of the acquisition of those objects were closely related to their special memories from their first trips to foreign countries, special trips, or unrepeatable trips to other countries. Another group of the tourists attached importance to their crafts because they were unique and aesthetically pleasurable to their owners. However, this group of tourists also expressed that those objects were valued because they are of quality- "something you can't buy in the U.S.", "you won't get that at home," or "it's special because I've never seen anything like it (Littrell, 1990)." Kim and Littrell (2001), in their study of souvenir buying intention, also found that tourists' attitudes towards souvenir aesthetics and uniqueness were closely linked to purchase intention. The interpretation of what constitutes uniqueness, however, could be culturally rooted.

There have been some observations about the culturally distinctive shopping preferences and acquisition patterns. In a study that investigated the overall motivation and attitude tourists hold for tourism shopping, substantive differences were discovered between

French and Japanese travelers in the reported involvement with shopping as a destination activity and the perceived importance of shopping to their overall trip experience (Oh, Lehto, & O'Leary, 2003). For actual shopping expenditure preferences, Ngamsom (1998), in a case study that observed spending patterns of tourist shoppers by nationality, noted that in general, people from Germany, France, and U.S. spent most on handcrafts and souvenir items, while Japanese tend to have a higher interest in shopping for luxury products such as perfumes, cosmetics, brand-name clothes, and accessories. The U.S. travelers to Thailand were more interested in shopping for gifts, handcrafts, and collectibles, and least interested in shopping for luxury goods. The U.S. travelers also tended to spend more on products that are unique to the country visited and different from the U.S., and most of the items were purchased as souvenirs. Similarly, Wong and Law (2003) noted that there were significant differences between the shopping behavior of Asian (Chinese, Malaysian, Taiwanese and Singaporean) and Western (American, Canadian and Australian) travelers in their perceived service quality and product attributes.

Age and gender influence on shopping preferences

Researchers have consistently shown that there are associations among age, gender, and tourists shopping behavior (L. F. Anderson, 1993; Luella F. Anderson & Littrell, 1995; 1996; Lehto, Cai, O'Leary, & Huan, 2004; Littrell et al., 1994; Oh, Cheng, Lehto, & O'Leary, 2004). In their separate studies by Anderson (1993) and Littrell et al (1994), it is observed that consumers prefer different souvenirs at different ages and with different tourism styles. According to the study by Littrell (1993), younger tourists often valued crafts that reminded them of exciting shopping encounters and active tourism experiences while older tourists attached meaning to crafts that brought aesthetic pleasure through contemplation at home. In Littrell et al's 1994 study, age is a significant descriptor of tourists in three among four tourism styles, where different tourism styles are closely related to type of souvenirs purchased. For gender, there have been cautions against the assumption that gender is a key variable, noting that many of the published studies had either all-female or female dominant samples (Dholakia, 1999; Moscardo, 2004). While research on gender effect on shopping has been inclusive, it is important to include gender as a possible factor and further explore its role in tourism shopping using a study sample that has appropriate distribution of gender.

OBJECTIVES OF THE STUDY

The purpose of this research is to examine tourist shopping behavior dynamics in a cross-cultural context. More specifically, the objectives of this study are:

- 1) to examine the configuration of international tourists' shopping behaviors based on expenditure and product preference patterns;
- 2) to examine age and gender influences on tourists' shopping expenditure and product preference patterns;
- 3) to comparatively examine the structure of tourists' shopping behavior of different countries or of country groups.

METHOD

The 2001 Annual Survey of Taiwan Inbound Travelers is used for this study. The data were collected by the Taiwan Tourism Bureau. From the initial total sample size of 5006, for the purpose of this study, only pleasure and visiting friends and relatives travelers from nine countries: Japan, Hong Kong, Korea, United States, Canada, United Kingdom, France, Germany, and New Zealand and Australia, were selected and included in analyses, constituting a sample size of 2101. Variables examined include trip purpose, country of

residence, age, gender, the amount of total trip expenses, and specific shopping expenditure on six different categories of products: clothes and accessories; jewelry and jade; souvenir and handcraft; cosmetic and perfumes; local special product; and cigarette and liquor.

Statistical procedures employed in this study are Chi-square and One-way ANOVA to compare the effect of nationalities, age groups, and gender on the percentage of expenses spent on the specific categories on shopping products. Further, cluster analysis was performed to develop expenditure preference structures. A K-means clustering method was used to determine the best number of clusters based on the tourists' spending behavior patterns on the six categories of products. Initial cluster centers were selected by SPSS and iterated until the Euclidean distance between centroids changed less than 2%. Cluster analysis suggests that a five-cluster solution was most appropriate for the data of tourists' spending behavior patterns for this research.

DISCUSSION AND CONCLUSION

The percentages of spending on six different product categories are calculated based on total trip expenses in Taiwan, and the results of One-way ANOVA analyses are provided in Table 1, Table 2, and Table 3. The results show that expense preference patterns are significantly influenced by all independent variables of nationalities, different gender and six age groups.

Table 1
One-way ANOVA Tests on Nationalities and Percentage Spent on different Categories

Percentage Spent on Product Categories	df	Mean Square	<i>F</i>	Sig.
Clothes and accessories	8	.083	4.019	.000
Jewelry and jade	8	.044	3.197	.001
Souvenir and handcraft	8	.039	1.982	.045
Cosmetics and perfumes	8	.026	4.350	.000
Local special product	8	2.047	32.950	.000
Cigarette and liquor	8	.027	4.896	.000

Table 2
One-way ANOVA Tests on Age Groups and Percentage Spent on different Categories

Percentage Spent on Product Categories	df	Mean Square	<i>F</i>	Sig.
Clothes and accessories	5	.162	7.878	.000
Jewelry and jade	5	.286	21.385	.000
Souvenir and handcraft	5	.205	10.489	.000
Cosmetics and perfumes	5	.008	1.262	.278
Local special product	5	.647	9.450	.000
Cigarette and liquor	5	.017	2.978	.011

The age groups are based on the categories of under 19, 20 to 30, ~40, ~50, ~60, and over 60.

Table 3
One-way ANOVA Tests on Gender and Percentage Spent on different Categories

Percentage Spent on Product Categories	df	Mean Square	<i>F</i>	Sig.
Clothes and accessories	1	.311	14.986	.000
Jewelry and jade	1	.009	.638	.424
Souvenir and handcraft	1	.196	9.837	.002
Cosmetics and perfumes	1	.112	18.835	.000
Local special product	1	1.207	17.420	.000
Cigarette and liquor	1	.147	26.394	.000

Further from the cluster analyses, resulting five clusters groups are presented in Table 4, with *Cluster V* contains the most tourist number of 992 or 48.2% of the total tourist shoppers analyzed in this study, followed by *Cluster I* that represents 485 or 23.5% of all tourist shoppers in this research. *Cluster V* is characterized as a group of tourists who preferred to purchase the combinations of local special products, souvenir and handcrafts, and clothes and accessory items in Taiwan. Interestingly, as shown in Table 5, most of the tourist shoppers from the U.S., Canada and the European visitors from the U. K., France, and Germany, as well as the tourist shoppers from New Zealand and Australia are found in this cluster group.

Cluster I is distinctively characterized as a group of tourists who preferred to shop for local special products in Taiwan. *Cluster II* represents a group of tourists who spent most on purchasing jewelry and jade products in Taiwan, while the tourists who belong to *Cluster III* group distinctively preferred to spend most on buying souvenir and handcraft items. *Cluster IV* represents a group of tourists who spent most on shopping for clothes and accessories. The tourist shoppers from Japan and Hong Kong showed similar product preference structures for *Cluster I*, following *Cluster V*, which centers for the distinctive preference group toward buying local special products in Taiwan, while the tourists from Korea were rather concentrated around *Cluster III* and *IV*, following *Cluster V*, showing the preference toward seeking more souvenir and handcrafts, clothes, and accessory items in Taiwan. Also interestingly, the tourist shoppers from the U.S., Canada, and the European countries of the U.K., France, and Germany showed the similar structures that center around *Cluster V*, *Cluster III*, and *Cluster IV*.

Table 4
Results of Cluster Analysis for Expenditure Pattern Structures

<i>Product Categories</i>	<i>Cluster I</i> (<i>n</i> =485)	<i>Cluster II</i> (<i>n</i> =104)	<i>Cluster III</i> (<i>n</i> =196)	<i>Cluster IV</i> (<i>n</i> =283)	<i>Cluster V</i> (<i>n</i> =994)
Clothes and accessories				.36	.03
Jewelry and jade		.48			
Souvenir and handcraft			.42		.04
Cosmetics and perfumes					
Local special product	.66				.12
Cigarette and liquor					

IMPLICATIONS AND FURTHER RESEARCH

This study developed and identified five cluster groups of different tourist shopper characteristics based on their expenditure patterns on shopping products. The cluster groups presented in this study show that there exist interesting expenditure preference patterns for tourists of different nationalities. Segmenting international tourist shoppers and understanding their characteristics based on their preferences and expenditure patterns will be important for retail and local handcraft and souvenir industries of host countries for knowledge and for better product offerings and development strategies. The results show distinct preference patterns of international tourist shoppers of different nationalities. Although the results of this study need to be viewed in the light of its limitations from the data and the destination characteristics of Taiwanese market, the findings, along with the limitations, suggest further directions for more exploration of cross-cultural shopping research of international tourists, especially on the cultural differences or distances and its influences on tourists' shopping behaviors and preferences.

Table 5
Cluster Analysis for Expenditure Preference Structures by Countries

Country	Cluster I (n=485)	Cluster II (n=104)	Cluster III (n=196)	Cluster IV (n=283)	Cluster V (n=994)	Total (n=2062)
Japan	340 27.8%	88 7.2%	148 12.1%	142 11.6%	505 41.3%	1223 100%
Hong Kong	139 24.6%	14 2.5%	29 5.1%	124 21.9%	260 45.9%	566 100%
Korea	2 4.9%	1 2.4%	5 12.2%	6 14.6%	27 65.9%	41 100%
US	2 1.9%	- -	6 5.6%	6 5.6%	94 87.0%	108 100%
Canada	1 3.7%	- -	2 7.4%	- -	24 88.9%	27 100%
UK	1 4.2%	- -	1 4.2%	1 4.2%	21 87.5%	24 100%
France	- -	- -	- -	- -	10 100.0%	10 100%
Germany	- -	- -	3 7.9%	2 5.3%	33 86.8%	38 100%
New Zealand and Australia	- -	1 4%	2 8%	2 8%	20 80%	25 100%
Total	23.5%	5%	9.5%	13.7%	48.2%	100%

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EXPLORING THE MEANING OF SHOPPING ON VACATION

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ABSTRACT

One of the most popular tourist activities is shopping and shopping is a significant portion of vacation expenditure (Oh, Cheng, Lehto, & O’Leary, 2004; Swanson & Horridge, 2004; Yu & Littrell, 2003). Shopping is important from social, economic, psychological perspectives. Tourists reveal their underlying motives, personal values, and lifestyles while shopping. “The social-psychological dimensions are complex and multi-dimensional as tourists often make their experience tangible by purchasing souvenirs” and individuals on vacation being “able to pursue, to examine, to feel and think of joy derived from purchasing certain merchandise is indeed pleasurable to millions of people, and for them is a minor, if not a major reason for travel” (Kent, Shock, & Snow 1983, p.2).

Domestic and international tourists’ shopping expenditure contributes about one-third of a nation’s economy from tourism (Godbey & Graefe, 1991). While the importance of tourists’ shopping behavior is well recognized by marketers as well as researchers, the meaning of tourists’ shopping behavior is mostly neglected in the literature (Oh, et al., 2004). Hence the objective of this study is to understand tourists’ underlying feelings and thoughts about shopping on vacation and their shopping behaviors while on vacation.

This qualitative research uses Zaltman Metaphor Elicitation Technique (ZMET) to explore the mental models of tourists’ shopping behaviors. Sixteen subjects who had traveled during the past twelve months were interviewed. Each interview took about two hours. ZMET is a qualitative research technique that employs images and metaphors to reveal how tourists think and feel about shopping. ZMET procedures (story telling, missing image, Kelly Triad sorting, metaphor exploration, sensory images, vignette, and summary collage) were followed in the data collection process (Zaltman & Coulter, 1995). In data coding process, we followed Miles and Huberman's (1994) model of qualitative data analysis: data reduction, data display, and cross-case data analysis.

A lexicon analysis of the recorded interview data and images produced a 69-construct set. We depicted the study participants' mental models of shopping on vacation behaviors in a hierarchical order using the accompanied laddering technique. It is structured from concrete attributes of shopping on vacation, to the consequence of the attributes, and to the most high-end personal values, thus, the means-end chain was revealed. Triangulation was constantly engaged among three researchers during the data analysis process.

Four major themes emerged from the mental models that shaped tourists' shopping behaviors. The four themes are: (1) Explore local culture (e.g., opportunity to learn local culture from shopping), (2) Reward/indulge (e.g., benefits of shopping), (3) Fulfill obligation (e.g., gifts for maintaining relationship with others), (4) Keep away from shopping (e.g., undesired attributes of products and shopping environment, the dark side of shopping).

The results reveal the underlying meaning of shopping on vacation including the what, how and why tourists shop at tourism destinations, and, the interrelated relationships among constructs. It provides valuable information for destination marketing organizations to design effective vacation promotion strategies focusing on meeting the needs of the four major areas that participants of this study revealed. Furthermore, organizations also can package a destination to fulfill tourists' shopping needs, thus, maximize their overall vacation experience.

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AN EXPLORATORY STUDY OF SOUVENIR SHOPPING: ATTITUDE AND BEHAVIOR OF DOMESTIC TRAVELERS IN CHINA

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ABSTRACT

The study was designed to examine the Chinese travelers' attitude and behavior of souvenir shopping. The study found that *Culture Expression of the Souvenir*, *Appropriateness as Gift*, *Overall Quality*, *Representation/Symbolism of the Attraction*, and *Workmanship of Souvenir* were the five major criteria for the Chinese travelers to purchase a particular type of souvenir. Overall, the respondents were dissatisfied with their shopping experience at the two of the most popular attractions in China. Some significant differences of satisfaction were observed in relation to the respondents' gender, age, and income. Five factors of souvenir shopping attitudes were identified. They were *Collectability*, *Display Characteristics*, *Store Attributes*, *Value*, and *Usability*. These factors and the shopping expenditure were examined in relation to the respondents' gender, age, income, and education level.

KEYWORDS: souvenir shopping, domestic travelers, shopping attitude, China

INTRODUCTION

Shopping has been widely recognized in extant literatures as one of the major activities in which tourists frequently participate while traveling (e. g., Jansen-Verbeke, 1990, 1991; Kim and Littrell, 1999; Lehto, Cai, O'Leary, and Huan, 2004). Shopping can be a motivation itself for pleasure travel trips (Law and Au, 2000), since it could help people to peruse, to examine, to feel and think of the joys derived from the visitation. In instances where shopping is not a significant criterion of travel decisions, people do shop when they are traveling (Traveler's Notes, 1995). The buying process is pleasurable to millions people (Kent, Shock, and Snow, 1983). For travelers, the physical presence and economic value of goods purchased on trips, such as souvenirs, serve as reminders of the time and experiences they wish to remember (Gordon, 1986). They are regarded as the tangible evidence of the travel experience (Littrell, Baizerman, Kean, Gahring, Niemeyer, Reilly, and Stout, 1994). People feel the need to bring things from the sacred, extraordinary time or space they experienced during traveling (Graburn, 1977; Cohen, 1979). Souvenirs enhance people's travel experience (Waite, 2000).

Since travelers spend a significant amount of their travel budget on shopping for gifts and souvenirs and other goods (Heung and Cheng, 2000), shopping has either been integrated into the overall strategic planning, or become part of the marketing mix for tourism destinations (Getz, 1993; Jansen-Verbeke, 1994). Shopping by travelers has become the major source of income for countries/regions such as Australia, Hong Kong, and Thailand (Ngamsom, 1998; Heung and Cheng, 2000; Mok and Iverson, 2000). Shopping is therefore recognized as a special or unique form of tourism at these destinations.

Numerous scholars observed that shopping is one of the primary motives for people to undertake trips across international border by taking advantage of the price difference and the variance of exchange rate (Jansen-Verbeke, 1991; Timothy and Butler, 1995). As a result, the buying behavior of international tourists is a common focus in extant literature. Previous studies examined the linkages between demographic characteristics, trip typology and preference patterns in certain categories of shopping or browse activities (e.g., Oh, Cheng, Lehto, and O'Leary, 2004), and investigated the causal relationship between travel activities and buying behavior (e.g., Littrell et al. 1994; Kim and Littrell, 1999; Swanson and Horridge, 2004). Souvenir products, product attribute, and store attributes were identified as major factors that influenced travelers' buying behavior in several of these studies.

Differentiated from most extant studies on shopping tourism, the subjects of the current study were domestic travelers in the world's largest and one of the fastest-growing markets – China. Cai, O'Leary and Boger (1999) found that more than 80 percent of the Chinese travelers considered shopping as a critical part in their travel process. Several other researchers (e.g., Yu and Weiler, 2001; Becken, 2003; Wen Pan and Law, 2001) observed that most of the Chinese travelers buy souvenirs as gift for their relatives, friends, colleagues, or even neighbors. These studies, whose subjects were the international Chinese travelers outside the Mainland, suggested that shopping tourism for the Chinese travelers is an important field of academic inquiry, but the field on the domestic front remains unexplored. While exploratory in nature, the current study was among the first empirical investigations into the Chinese domestic travelers' attitude towards, and their behaviors of, souvenir shopping. The study pursued three research objectives: 1) to determine the Chinese domestic travelers' decision criteria of souvenir shopping; 2) to identify their underlying attitudes of souvenir shopping; and 3) to delineate the relationships between their demographic characteristics and their souvenir shopping attitudes and expenditure.

METHODOLOGY

The study used the data from a consumer survey. The survey instrument consisted of four parts. Parts one through three included 5-point Likert-scale items. Respondents were asked to rate the level of importance of each item in the scale with 1 being very important or satisfied and 5 being very unimportant or dissatisfied. Part one was designed to investigate the importance of 11 items in influencing the overall satisfaction of visit in general. Part two included 16 attributes of souvenir that travelers might consider in selecting souvenirs when traveling. The respondents were asked how important each attribute was to them when they made the purchase decision. In part three, 12 souvenir attributes were listed and the respondents were asked to rate their degree of satisfaction. The demographic information and travel behavior information was found in part four of the instrument.

The data was collected in the months of March and April 2004 at two most popular attractions for the Chinese domestic travelers - the Forbidden City and the Summer Palace in Beijing. Those two sites were selected because they are 'must see' attractions for domestic

travelers where they are more likely to buy souvenirs as evidence of the travel experience. A total of 200 domestic travelers were intercepted randomly at the two attractions to fill out the questionnaires. A total of 135 usable instruments were collected with a response rate of 67.5 percent.

A progressive procedure of statistical analyses was carried out. The frequency analysis was firstly applied to examine the profile of the respondents. Descriptive analysis was then conducted to examine the decision criteria when the respondents selected souvenirs, as well as the degree of their satisfaction with souvenir attributes at the two interview sites. Chi-Square tests were followed to examine the single-dimensional relationship between the respondents' satisfaction of souvenir attributes and their demographic characteristics of gender, age, and monthly income.

The principal components analysis with varimax rotation was employed to identify the underlying souvenir shopping attitudes based on the respondents' evaluation of souvenir attributes. To control the number of factors extracted, a minimum eigenvalue of one was used. Items exhibiting low factor loadings ($<.40$), high cross-loadings ($>.40$), or low communalities ($<.50$) were candidates for deletion (Hair, Anderson, Tatham, and Black, 1998). In order to verify the validity and reliability of the variables generated by principal component analysis, a Cronbach's alpha reliability test was done.

The resultant factors from the principal component analysis were examined in one-way ANOVA tests to identify their relationships with the demographic characteristics of gender, age, income, and education level. These characteristics were also examined in relation to the respondents' expenditure on souvenir shopping at the two interview sites. In the cases where there were more than two categories or groups in a variable, Student-Newman Keuls (SNK) tests were performed to further determine which groups or categories were different from each other.

RESULTS

Profile of Respondents

The profile of the respondents was shown in Table 1. A typical respondent was a male or female aged between 16-44 years old who was a student or worked as a manager or professional, and earned a monthly income below US\$241. The majority of the respondents were group travelers. They were not frequent travelers, as 50 percent of them traveled once a year or less. The top four origins of the respondents were Beijing (14.1%), Shandong Province (8.1%), Shanghai (6.7%), and Shanxi Province (5.9%). Nearly one third of the respondents bought the souvenir for the memory of their travel experience, followed by gift-giving (26.1%).

Table 1
Sample Profile

	%		%
Gender		Travel Frequency	16.2
Male	59.4	Once a Month	10.0
Female	40.6	Once Four Month	23.8
Age		Once Half Year	26.9
15 and below	0.7	Once a Year	23.1
16-29	52.6	Longer	
30-44	31.3	Travel Party Type	79.9
45-59	13.3	<u>Group</u>	20.1
60 and above	2.2	Individual	
Monthly Salary		Purpose of Purchase	14.4
Below US \$120	38.3	Collection	32.4
US \$121-241	27.1	Memory of the Trip	26.1
US \$242-362	10.5	Gift to Others	14.4
US \$363-604	12.0	Impulse	12.6
US \$605-1209	6.0	No Specific Reason	
US \$1210 or above	1.5		

Perceived Importance and Satisfaction

Tables 2 and 3 present the findings of the respondents' perceived importance of souvenir attributes and their satisfaction with those attributes at the two interview sites. It was found that *Culture Expression of the Souvenir*, *Appropriateness as Gift*, *Overall Quality*, *Representation/ Symbolism of the Attraction* and *Workmanship of Souvenir* were considered as the five major reasons for the respondents to purchase a particular type of souvenir. Overall, the respondents were not very satisfied with their shopping experience at the two attractions. Many indicated that the souvenirs were *not unique*, *prices* were too high, and *workmanship* of the products was poor. They were also dissatisfied with the *shopping atmosphere* and the *services*.

In the bivariate setting of chi-square analysis, some of the respondents' satisfaction level with the shopping experience was found to be related to two of the three socio-demographic characteristics: age and gender (see Table 4). No differences were found among the different income groups for their perception of shopping experience. The variable of age was found to be related to more aspects of shopping experience than gender. The *uniqueness*, *price*, *in-store service*, *variety of product* offered, *appropriateness as gift*, and *culture expression of the attraction* were associated with the age of respondents, while the *price* and *workmanship* of souvenir were found to be related to the gender of the respondents.

Table 2
Perceived Importance of Souvenir Attributes

Attributes of Souvenir	N	Mean
Culture Expression of the Souvenir	124	1.69
Appropriateness as Gift	123	1.78
Overall Quality	120	1.87
Representation/Symbolism of the Attraction	125	1.89
Workmanship of Souvenir	121	1.95
Memory of the Trip	120	2.10
Uniqueness	119	2.19
Location of Shop	122	2.22
Price	123	2.26
In-store Service	122	2.33
Figuration	120	2.50
Package of Souvenirs	120	2.59
Shopping Atmosphere	120	2.59
Utility	118	2.65
Fashionable	119	3.13
Grand Mean		2.25

Table 3
Satisfaction with Souvenir Attributes

Attributes of Souvenir	N	Mean
Memory of the Trip	121	2.17
Culture Expression of the Souvenir	121	2.24
Representation/Symbolism of the Attraction	119	2.24
Appropriateness as Gift	123	2.50
Overall Quality	123	2.59
Variety	117	2.59
Suitable for Collection	123	2.63
In-store Service	123	2.97
Shopping Atmosphere	122	3.00
Workmanship of Souvenir	122	3.16
Price	123	3.19
Uniqueness	122	3.27
Grand Mean		2.71

The respondents' satisfaction level of *Price* was found to be associated with both age and gender. Significantly, females were less satisfied with the price of the product than male. In terms of age, the older the respondents, the higher the satisfaction. Overall, respondents were not satisfied with the *workmanship* of the souvenir as shown in Table 3. However, female were less satisfied with the *workmanship* of the product than males. The age group of 45-59 was found to be more satisfied with the *variety* of the product than other age groups, while travelers in the 30-44 group were found to be more dissatisfied with the *variety* of what offered.

Table 4
Satisfaction with Souvenir by Demographic

Attributes of Souvenir	Gender χ^2	Age χ^2	Income χ^2
Price	8.667**	24.197**	28.834
Workmanship of Souvenir	7.805**	17.261	18.367
Representation/Symbolism of the Attraction	7.635	17.301	27.538
In-store Service	6.370	41.993*	19.656
Shopping Atmosphere	6.313	16.997	16.313
Overall Quality	4.572	14.964	27.577
Memory of the Trip	2.442	12.041	26.630
Culture Expression of the Souvenir	2.909	24.888**	20.714
Variety	2.578	25.341**	31.663
Uniqueness	2.240	25.462**	23.945
Suitable for Collection	1.650	10.283	33.354
Appropriateness as Gift	0.740	28.875*	21.474

* $p < 0.05$, ** $p < 0.1$

Respondents in the 45-59 years age group were also found to be more satisfied with the *culture expression of souvenir*, *in-store service*, and *appropriateness as gift* than other age groups. On the other hand, respondents in this age group were more dissatisfied with the *uniqueness* of the souvenir than other age groups.

Attitude Factors

Table 5 shows the results of principal components analysis and a Cronbach's alpha reliability test on the attributes of souvenir. The five underlying attitude constructs generated by the principal components analysis explained 62.6 percent of the variance. These constructs were labeled as *Collectability*, *Display Characteristics*, *Store Attributes*, *Value*, and *Usability*.

Travelers' attitudes toward the attributes of souvenir were examined in relation to their socio-demographic characteristics (Table 6). Travelers' attitude of *Collectability* was significantly related to their age ($F=3.073$, $p=0.031$). Respondents in the age group of 16-29 were concerned more about whether the souvenir could help them to memorize the trip, or whether it could represent the attractions than travelers in other age groups. Although gender was not significantly related to the attitude, males seemed to care more about the *Collectability* of souvenir than females did. The SNK test showed that respondents with high educational level cared more about the *Collectability* than respondents with low educational level.

The respondents' attitude of *Store Attributes* was significantly related to gender. Females paid more attention to the store atmosphere, the location of the store, or the service than males did. The SNK test revealed that people with higher monthly income concerned more with the *Store Attributes* than lower income groups.

Table 5
Attitude Factors of Souvenir Shopping

Factors	Items	Factor Loading	Eigenvalue	% of Variance Explained	Reliability Alpha
Collectability	Culture meaning of souvenir	0.696	3.591	23.942	0.6603
	Represent features of the attraction	0.665			
	Overall quality	0.619			
	Memory of the trip	0.616			
Display Characteristics	Package	0.762	1.758	11.72	0.5740
	Workmanship	0.640			
	Price	0.627			
Store Attributes	In-store service	0.565	1.546	10.307	0.5313
	Location of shop	0.655			
	Shopping atmosphere	0.795			
Value	Uniqueness	0.847	1.293	8.621	0.6145
	Figuration	0.665			
	Applicability as gift	0.588			
Usability	Utility	0.867	1.208	8.052	0.6352
	Fashionable	0.687			

The educational level of respondents was significantly related to their attitude of *Usability*. People with high school diploma or certificate were concerned more about the utility or the popularity of the souvenir than other educational groups. Males were concerned more about the *Usability* than females did. The SNK test showed that older people were more into the *Usability* of souvenirs than younger age groups.

None of the four socio-demographic variables were significantly related to travelers' attitude of *Display Characteristics* of souvenir. However, it was found through SNK test that elder people were concerned more about the package, workmanship, and price of the souvenir.

None of the four socio-demographic variables were significantly related to travelers' attitude of *Value*. However, it was found through SNK test that elder people tended to be concerned more about the *Value* of souvenir than younger groups. Females were found to be concerned more about the uniqueness or the applicability as a gift of souvenirs than male did. People with higher educational level were also found to pay more attention to those features.

Table 6
Souvenir Shopping Attitudes and Demographics

Variable (Factor mean score)	Collectability	Store Attributes	Usability	Display Charact,	Value
Gender		(4.756)*			
Male	-0.0232	0.177	-0.0128	0.0612	0.0618
Female	0.0168	-0.245	0.1397	-0.0299	-0.0947
Age		(3.073)*			
15 and below					
16-29	-0.1682	0.1164	0.1319	-0.0206	0.0885
30-44	0.3901	-0.3078	-0.1151	0.0201	-0.0782
45-59	-0.0564	0.1705	-0.3827	-0.0328	-0.3309
60 and above	-1.1430	0.7881	-0.2851	0.9936	0.6543
Monthly Salary					
Below US \$120	-0.1202	-0.0198	-0.0161	0.0807	-0.0439
US \$121-241	0.1281	0.2080	0.0268	-0.0957	-0.2151
US \$242-362	0.0419	0.0231	0.1447	0.0972	0.4367
US \$363-604	-0.1862	-0.3224	-0.3918	0.0331	-0.1427
US \$605 or above	-0.0933	-0.3863	0.2616	-0.3300	0.0248
Educational Level			(5.372)*		
Junior School	0.0149	-0.6019	0.7690	-0.0122	-0.0079
High school and certificate	0.1028	0.2653	-0.5443	-0.0217	0.0904
College and above	-0.0494	-0.0286	0.0818	-0.0014	-0.0309

* $p < 0.05$

Shopping Expenditure

One-way ANOVA test was conducted to examine the relationship between travelers' expenditure and their socio-demographic characteristics. The results were showed in Table 7. Gender was the only variable that was significantly associated with the travelers' spending on souvenir. In contrary to the findings of many previous studies, male travelers were found to spend three times more than the female travelers on souvenir shopping (US\$63.23 vs. US\$20.86).

The SNK test revealed that respondents in the age group of 16-29 (US\$42.36) spent more than other age groups. People with high school diploma or certificate spent more than other educational groups. It was also noted that, except for the monthly income group of US\$121-241 (US \$70.74), travelers' spending on souvenir was positively related to their monthly income. The higher the monthly income one had, the higher the expenditure on souvenir. However, such observations of differences were not statistically significant.

Table 7
Souvenir Shopping Expenditure and Demographics

Variable	Mean	F Value	p value	SNK Test
Gender		5.206	0.025	
Male	63.23			
Female	20.86			
Age	0.00	0.198	0.939	B<D<C
15 and below (A)	2.42			
16-29 (B)	42.36			
30-44 (C)	53.20			
45-59 (D)	47.44			
60 and above (E)	0.00			
Monthly Salary	0.00	1.021	0.410	A<C<D<B<E
Below US \$120 (A)	26.60			
US \$121-241 (B)	70.74			
US \$242-362 (C)	39.90			
US \$363-604 (D)	48.87			
US \$605 or above (E)	80.61			
Educational Level	0.00	1.063	0.369	B<D<C
Elementary School (A)	2.42			
Junior School (B)	10.08			
High school and certificate (C)	67.23			
College and above (D)	38.74			

CONCLUSION

The study was designed to achieve three research objectives: 1) to determine the decision criteria of souvenir shopping by domestic travelers in China; 2) to identify their underlying attitudes of souvenir shopping; and 3) to delineate the relationships between their demographic characteristics and their attitudes and expenditure on souvenir shopping. The study found that *Culture Expression of the Souvenir*, *Appropriateness as Gift*, *Overall Quality*, *Representation/ Symbolism of the Attraction*, and *Workmanship of Souvenir* were the five major criteria for the Chinese traveler to purchase a particular type of souvenir at two of the most popular attractions in China. Overall, the respondents were dissatisfied with their shopping experience. Some significant differences of satisfaction were observed in relation to the respondents' gender, age, and income. For example, females were less satisfied with the price of the product than males. Female were also less satisfied with the workmanship of the product than males.

Five factors of souvenir shopping attitudes were identified. They were *Collectability*, *Display Characteristics*, *Store Attributes*, *Value*, and *Usability*. These factors and the shopping expenditure were examined in relation to the respondents' gender, age, income, and education level. It was found that travelers' attitude of *Collectability* was significantly related to their age. Their attitude of *Store Attributes* was significantly related to gender. The educational level of respondents was significantly related to their attitude of *Usability*. Gender was the only variable that was significantly associated with the travelers' spending on souvenir.

Souvenir shopping is an integral part of travelers' total experience. Understanding their purchase criteria, attitudes, and behavior is critical for a destination and attractions within to develop and promote shopping products and services that meet and satisfy the needs of the travelers, and that serve to enhance their total experience at the destination. Investment in the product development and marketing of souvenir shopping not only has a more tangible and direct impact on the local economy of the destination, but also plays a strategic role in sustaining the attractiveness of the destination to the repeat and the first-time markets alike, as the souvenirs can serve as a reminder to those who have visited the place, and as an enticer to those who have not.

The findings from this study, although exploratory in nature, should be of immediate and practical value to the two attractions where the data were collected. The attractions and destinations elsewhere in and outside of China could also benefit from the understanding of some of the findings, such as the five major criteria and the five attitudes. However, because the sample did not represent the population of the Chinese travelers, any interpretation of the findings must be made in the context of the sample profile. The limitation of the unrepresentative sample was due to several factors, including the small sample size, subjects intercepts at two locations in one city, and the short-span of the data collection period. A more robust methodological approach should be adopted in future studies for a more accurate and in-depth understanding of the Chinese travelers' shopping attitude and behavior.

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SOCIAL IDENTIFICATION AND A VALUE NETWORK OF MEMBERSHIP RELATIONSHIPS: THE CASE OF VACATION TRAVEL CLUBS

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ABSTRACT

Social identification is an important bond in membership relationships. Based on the means-end chain model and value network notion, this study investigated the influence of member social identification on value creation and delivery in customer membership programs with a vacation travel club as the empirical environment. The findings indicated that social identification affected value for the organization with the mediation of member perceived value; and by managing social identification, it is easier for membership programs to control operational costs than to increase sales revenue.

KEYWORDS: Relationship marketing, membership, social identification, value network, vacation travel club

INTRODUCTION

As an important relationship marketing tool, customer membership programs have been widely used in hospitality and tourism industry. When a person joins a membership program, member status naturally provides the individual a piece of *social identification* with the membership organization. Researchers suggested that social identification is one of the basic rationales for joining membership groups (Gruen 1994). From the perspective of organizations, a membership relationship features three levels of bonds that unite the service organization and customers – financial, social, and structural (Lovelock 1983; Zeithaml and Bitner 2000). Since member social identification represents such an important and positive connection between members and an organization, it seems likely that it plays a role in improving membership relationships. Previous research has indicated that the identification of members leads to increased member loyalty to the organization (Adler and Adler 1987) and decreased turnover (O'Reilly and Chatman 1986), lengthened membership and participation (Bhattacharya, Rao, and Glynn 1995), and word-of-mouth referrals (Kim, Han, and Park 2001; Madrigal 2001).

However, the existing research efforts remain limited. This study proposed and tested a structural model to investigate the influence of social identification on the development of value creation and delivery in customer membership programs from the relationship marketing perspective. A paid vacation travel club was used as the empirical environment in this study.

LITERATURE REVIEW

Social Identity Theory and Member Social Identification

Social identification and social identity theories are rooted in the idea of self-concept (Hogg and Terry 2001; Reed 2002). Tajfel (1981, 255) stated that social identity is “part of an individual’s self-concept derived from knowledge of memberships of a social group or groups (e.g., family, working organization, country, social class) together with the values and emotional significance attached to that membership.” According to social identity theory, people tend to classify themselves and others into various social categories (Ashforth and Mael 1989; Mael and Ashforth 1992). Social identification is then the perception of oneness with or belonging to a group with the result that a person identifies with that group (Bhattacharya, et al. 1995; Mael and Ashforth 1992).

Social identity and social identification have been used to explore organizational and consumer behavior. In the organizational behavior literature, Ashforth and Mael (1989) suggested that since an organization may provide an answer for one of its members to the question “who I am?” organizational identification is a way for an individual to self-define through symbolic interaction (Reichers 1987). Whereas, the attempts to integrate self-concept and social identity theory into the consumer behavior domain have been mainly on the basis of the idea of product symbolism, that is, individuals can enrich or improve their self-images through the images of the products they consume (Reed 2002). Possibly due to the similar idea of symbolism, some research on customer social identification (e.g., Kim et al. 2001) has directly borrowed the idea of general organizational identification and adopted its measurement scale by Mael (1988). Unfortunately, this simple borrowing and adoption have confused consumption-based identification and organizational identification, whose distinction exists essentially due to the relationship between an individual and the object identified.

For the organizational behavior setting, an organization is both the identified object and the social category its members classify themselves within and then “embodies or reifies characteristics perceived to be prototypical of its members” (Ashforth and Mael 1989, 22). However, for consumption-based identification, the identified objects, for instance a brand or a store, is a type of abstraction assisting consumers to establish their oneness with their social category. For example, a young girl decides to buy a particular brand of shoes because all her friends have this brand of shoes. The identified objects thus, no matter whether they are social responses or stimuli, serve as only a medium representing and delivering social meaning rather than the social category *per se*. Hence, consumer-based identification is more external and more associated with impression-management concerns.

Although customer membership programs are no doubt salient organizations, the linkages between members and the focal organization is still essentially rooted in consumption decision-making since the acquirements of both member status and the products and services are the consequences of consumption decision-making (Gruen 1994).

This paper hence suggests that a consumer behavior perspective is more appropriate in discussing social identification in membership programs. In accordance with the literature, the function of member social identification is based on the ability of the membership organization to act as a communication tool allowing members to manifest their desires to be integrated with or to disconnect themselves from the groups that make up their major social environment (Belen del Rio, Vazquez, and Iglesias 2001).

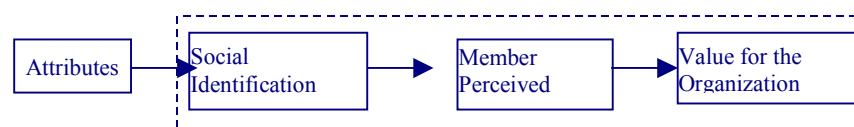
Conceptual Framework

Functional attitude theorists suggest that social identity consequences can be activated across individuals by attitude objects (e.g., products or an organization) (Shavitt 1990). In the membership setting, positive organization and product characteristics will increase the level of members' identification with the focal organization (Bhattacharya et al. 1995). Moreover, as initiated by Gutman and Reynolds in the late 1970s (Gutman 1978, 1982; Gutman and Reynolds 1979), the means-end chain model proposes that products or services, and the attributes they possess, are the "means" with which consumers attain important consequences or benefits and further strengthen important personal value or "end," which can be simplified as a hierarchical chain: Attributes → Consequences → Value (Gutman 1982). In the decision-making about what to buy, consumers focus on *self-relevant* consequences (experiences or outcomes) instead of attributes of alternatives (Olson and Reynolds 2001). Hence, as a major psychological consequence of organizational attributes, social identification has been proposed as a cue for strengthening important personal values of members.

Another key concept in this study is the value network. The literature suggests that enduring member relationships are a result of mutual value maximization of members and the focal organization (Wolfe 1998). To delineate the mutual value relationship, this study borrowed the idea of the value network that is anchored in the notion of the value proposition (Bower and Garda 1985), value chain (Porter, 1985), and value constellation (Normann and Ramirez, 1993). These notions suggested that companies should shift from a traditional view of regarding the business as a series of functional activities to an externally oriented view of regarding the business as a form of value delivery. DeRose (1994, 16) further proposed a notion of the value network, describing "an interconnecting web of value-creating and value-adding processes" for customers, through which value is supplied for value results (value for the organization). DeRose (1994) also suggested "the driving determinant for supplying value is...what is provided to satisfy customer requirements."

Combining the propositions of functional attitude theory, the means-end chain model, and the notion of a value network, a conceptual framework was proposed as follows. This study investigated the part of relationships indicated by the dotted line (Figure 1).

Figure 1
Conceptual Framework



Customer Perceived Value and Member Perceived Value

Considering that customer value denotes a preferential judgment or perception of customers (Holbrook, 1994), many researchers have proposed varying definitions for customer-perceived value (e.g., Gale 1994; Monroe 1990; Zeithaml 1988). After reviewing the existing definitions, Woodruff (1997, 142) comprehensively defined customer perceived value as, “customer’s perceived preference for and evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer’s goal and purposes in use situations.” In general, customer perceived value is regarded as a one-dimensional construct. However, member perceived value should be viewed as two-dimensional owing to the structure of the products and services offered by membership organizations. Gruen (1994) suggested that the structure used to study memberships must integrate two levels of consumption decision-making. The first level is about the consumer decision on acquisition of a membership, whereas the second level is related to the actual consumption of the goods associated with the membership. This two-level structure leads to the two dimensions of member-perceived value. More specifically, member perceived value comprises perceived membership value (associated with the first level of consumption decision-making) and perceived product value (associated with the second level of consumption decision-making). As such, two hypotheses for the relationship between social identification and member perceived value are proposed as follows:

H₁: There is a direct relationship between social identification and perceived product value.

H₂: There is a direct relationship between social identification and perceived membership value.

Value for the Organization

Value for the organization means the value outcome derived from providing and delivering superior customer value rather than the creation of value for the customers. In the literature, a major concept for understanding value for the organization is customer lifetime value (LTV) that stemmed from the early work by Reicheld and Sasser (1990). For a lifelong span, economic value may be a direct and efficient measurement of value for the organization. However, in order to achieve lifelong financial value, a quality member-organization relationship implies, from a cross-sectional perspective, not only financial bonds but also social, customization, and structural bonds between the two parties (Zeithaml and Bitner 2000), and accordingly a broader operationalization approach should be developed for measuring value for the organization.

In practice, many customer membership programs are also called loyalty programs, implying that customer loyalty is the key output of the programs and suggesting some implicit connections between customer loyalty and value for the membership organization. The literature suggests there are three types of approaches to measure loyalty: attitudinal, behavioral, and composite approach involving both attitudes and behavior (Jacoby and Chestnut 1978). The behavioral approach measures loyalty with actual or reported purchasing behavior. The attitudinal approach relies on purely attitudinal measures reflecting the psychological attachment inherent in loyalty, which has similar implications to commitment, an often-used construct in relationship marketing (Morgan and Hunt 1994).

Day (1969) suggested that the use of the composite approach increases the predictive power of the loyalty construct since each dimension cross-validates the nature of true loyalty. In the membership setting, retention denotes the behavioral loyalty of members, more specifically, members' repeat purchase volumes of both memberships and products associated with memberships. Further, commitment concerns members' long-term psychological attachment to the membership organization (Scheer and Stern 1992), and implicit or explicit promises/desires for relational continuity with the membership organization (Morgan and Hunt 1994). Gilbert (1996) suggested that commitment is one of the objectives of relationship marketing. Moreover, an organization also expects customers to take coordinated and cooperative actions in order to create value to the organization and to other customers, such as word-of-mouth referral, making suggestions for the improvement of products and/or services, being flexible when the organization requires, and proactive communication of anticipated problems (Gruen 2000). The coordinated actions were called cooperation by Lewin and Johnston (1997), and co-production or participation by Gruen (2000). In summary, this study proposed that retention, commitment, and cooperation are the three key dimensions to measure value for the organization. Thus, six hypotheses were proposed involving member perceived value and value for the membership organization.

H₃: There is a direct relationship between perceived product value and member retention.

H₄: There is a direct relationship between perceived product value and member commitment.

H₅: There is a direct relationship between perceived product value and member cooperation.

H₆: There is a direct relationship between perceived membership value and member retention.

H₇: There is a direct relationship between perceived membership value and member commitment.

H₈: There is a direct relationship between perceived membership value and member cooperation.

METHODOLOGY

Data Collection and Testing for Non-response Bias

This study used a paid vacation travel club located in a Midwest state of the U.S. as case setting. According to the classification of memberships, the vacation travel club is an access membership, which means membership is required to obtain access to the organization's goods and privileges. Therefore, by joining the membership of the vacation travel club, members are allowed access to the vacation packages (i.e., core product) and other member privileges offered by the vacation travel club.

An online questionnaire survey was conducted to collect data. The questionnaire included two major parts, measurement scales of the constructs involved in the hypothesized model and information on socio-demographic and membership characteristics (e.g., primary reason to join the current membership). In November 2003, an e-mail request was sent to all 13,986 current members, whose e-mail address could be found in the vacation travel club's membership records, inviting the members to complete the online questionnaire survey. An e-mail follow-up

was sent out in February 2004. Finally, a total of 1,546 responses were received, among which 1,233 responses were from the first mailing and 313 from the second mailing. The overall response rate was 11.1%.

Online surveying is an emerging survey method. Although the many merits of Internet surveys have stimulated and accelerated its application, for example the application of standardized software, user-friendly interfaces, and low access costs, low response rates have been a problem (Vehovar et al. 2002). Generally, 50-60 percent is considered an acceptable response rate in survey research. However, a more important criterion of a good sample is how representative the respondents are of the target population being studied, which affects the validity of the results (Lohr 1999). Evidence has shown that late respondents are often similar to nonrespondents (Moore and Tarnai 2002). If a statistical comparison of respondents shows no difference between early and late respondents, then data from respondents can be generalized to the population (Diem 2002). Hence, this study compared the basic socio-demographics of the first-stage respondents, who completed the survey before the follow-up e-mail, to the second-stage respondents who completed the survey after the follow-up e-mail, including gender, age, education, occupation, ethnicity, household income, and marital status. The chi-square test results indicated no significant differences between first- and second-stage respondents. Consequently, it was inferred that the sample was a good representation of the target population.

Measurement

Table 1 presents the measurement used in this study. Some research studies have directly adopted the measurement scale of identification developed by Mael (1988) in an alumni organization setting. Due to the discussion on the distinction between consumption-based identification and organizational identification, the validity of Mael's (1988) scale for this study's environment was considered questionable. Therefore, a three-item scale was developed to measure members' social identification, which reflected the external impact of a membership organization on its members in impression management. The Cronbach's alpha for the scale used in this study was 0.94. Perceived product value measured members' perceived value of vacation packages, the core product of the vacation travel club. Four items were used. Membership value is not only related to membership fees, but also to the privileges associated with the membership and the efficiency of taking advantage of the privileges, which brings members extra financial value. Hence, three items were adopted to measure perceived membership value.

The above five constructs were measured with 5-point Likert scales, where "1" represented "strongly disagree" and "5" represented "strongly agree". The Cronbach's alpha for the perceived product value scale was 0.94 and 0.74 for the perceived membership value scale. Given the duality of membership consumption, retention must address both the purchase of vacation packages and the purchase of memberships. Therefore, two items were used to measure retention: "Total value in dollars spent in buying vacations of the travel club" (RT1), and "Total value in dollars spent in membership fees at the travel club" (RT2). These two items were measured at an ordinal level, where the brackets with increasing dollar-spent ranges were labeled with ascending numbers from 1 to 19. In some way, this variable can be regarded as a "pseudo" continuous variable. The Cronbach alpha for this scale was 0.74. Three items were used to measure commitment addressing the duality of membership consumption while cooperation was gauged with five items. A 5-point Likert scale was adopted for these two scales, where "1" stood

for “strongly disagree and “5” stood for “strongly agree”. The Cronbach’s alphas for these scales were 0.74 (commitment) and 0.70 (cooperation).

STATISTICAL ANALYSIS AND RESULTS

To test and estimate the hypothetical model, a two-step approach with an initial measurement model and a subsequent structural model for Structural Equation Modeling (SEM) was employed (Anderson and Gerbing 1988). The LISREL 8.54 structural equation analysis package developed by Joreskog and Sorbom (1993) was used to conduct the analysis.

Measurement Model and Measurement Reliability and Validity

The level of internal consistency of items within each construct was acceptable, with Cronbach alphas ranging from 0.70 to 0.94. These greater than 0.70 Cronbach alphas indicated good measurement reliability of the constructs (Hair et al. 1998). SIMPLS in LISREL 8.54 was used to estimate the measurement model with confirmatory factor analysis. Due to the large sample size of this study, the model chi-square appeared rather high ($\chi^2 = 589.75$) with $p = .00$. However, all the other model fit indices indicated a very good fit of the measurement model: standardized RMR = 0.036, GFI = 0.96, AGFI = 0.94, PGFI = 0.68, NFI = 0.98, NNFI = 0.98, CFI = 0.99, RFI = 0.98, IFI = 0.99, RMSEA = 0.046, critical N = 504 (Table 2). Based on the good-fitting measurement model, each indicator’s loading on its corresponding a priori specified construct in the model was significant at the t-value level of 1.96, showing construct convergent validity (Table 1). The discriminant validity among the constructs examined whether or not the correlations among the constructs were significantly different from 1. The confidence intervals of the correlations, calculated as correlation $\pm 1.96 \times$ standard error of estimate, did not contain 1, which indicated the discriminant validity of the constructs.

Structural Model

SIMPLS in LISREL 8.54 was also used to estimate the structural model with the maximum likelihood procedure. Similarly, the model chi-square was high ($\chi^2 = 669.62$) with $p = 0.00$, because of the large sample size and relatively complex model. However, a strong goodness-of-fit of the structural model was indicated by all the other indices: standardized RMR = 0.044, GFI = 0.96, AGFI = 0.94, PGFI = 0.71, NFI = 0.98, NNFI = 0.98, CFI = 0.99, RFI = 0.98, IFI = 0.99, RMSEA = 0.048, critical N = 460 (Table 2).

Table 1
Construct Reliability and Validity

Variable	Label	Standardized Loading	T-value	Cronbach α
<i>Social identification</i>				0.94
Feeling of being socially accepted	SI1	0.86	43.23	
Improvement in the way I am perceived by others	SI2	0.81	40.33	
Good impression from other people	SI3	0.89	44.13	
<i>Perceived product value</i>				0.93
Reasonably priced	PV1	0.84	47.07	
Good value for the dollar	PV2	0.81	50.39	
Good for the prices charged	PV3	0.75	46.46	
Economical (-)	PV4	0.73	32.81	
<i>Perceived membership value</i>				0.74
Reasonable membership fees	MV1	0.51	25.95	
Valuable membership privileges	MV2	0.61	29.96	
Value from membership privileges	MV3	0.60	22.46	
<i>Retention</i>				0.74
Total value in dollar in buying vacations	RT1	0.83	24.63	
Total value in dollars in membership fees	RT2	0.59	22.01	
<i>Commitment</i>				0.74
Long-time relationship	CM1	0.64	32.95	
Membership renewal (-)	CM2	0.61	24.30	
Purchase while not getting the lowest rates	CM3	0.53	22.29	
<i>Cooperation</i>				0.70
Word-of-mouth referral	CP1	0.59	33.74	
Purchase based on staff suggestions	CP2	0.43	25.31	
Proactive communication	CP3	0.27	14.85	
Idea sharing	CP4	0.26	13.18	
Being flexible	CP5	0.34	17.98	

(-) denotes reverse-coded items

Table 2
Results of Model Goodness-of-Fit Tests

Index	Cutoff value	Observed statistics	
		Measurement model	Structural model
Model χ^2	N/A	589.75	669.62
P-value	> 0.05	0.00	0.00
Standardized RMR	< 0.05	0.036	0.044
GFI	> 0.90	0.96	0.96
AGFI	> 0.90	0.94	0.94
PGFI	> 0.50	0.68	0.71
NFI	> 0.90	0.98	0.98
NNFI	> 0.90	0.98	0.98
CFI	> 0.95	0.99	0.99
RFI	> 0.95	0.98	0.98
IFI	> 0.95	0.99	0.99
RMSEA	< 0.05	0.046	0.048
Critical N	> 200	504	460

Based on the good fitting structural model, significant paths (hypotheses) were identified with the criterion of t -value (critical ratio) > 1.96. Six out of the eight hypotheses were supported. Table 3 summarizes the significant paths and their standardized coefficient estimations and t -values. Hypothesis H₁ and H₂ were supported, which suggested that social identification influenced both perceived product value (H₁: standardized $\gamma = 0.31$, $t = 12.19$) and perceived membership value (H₂: standardized $\gamma = 0.40$, $t = 13.13$). Regarding the impact of member's perceived value on value for the organization, perceived product value only significantly influenced cooperation (H₅: standardized $\beta = 0.10$, $t = 2.90$), while perceived membership value affected all the three dimensions of value for the organization: retention (H₆: standardized $\beta = 0.34$, $t = 11.61$), commitment (H₇: standardized $\beta = 0.91$, $t = 23.35$), and cooperation (H₈: standardized $\beta = 0.90$, $t = 18.25$). Indicated by t -values lower than the 1.96 level, the two unsupported hypotheses were the relationship between perceived product value and retention (H₃) and between perceived product value and commitment (H₄). Figure 2 pictorially presents the results of the causal model, in which the numbers show the standardized coefficients between pairs of variables.

Table 3
Key Parameters of the Structural Model

Hypothesis			Standardized coefficient	T-value*	Sig.
H1:	Social identification	→ Perceived product value	0.31	12.19	Supported
H2:	Social identification	→ Perceived membership value	0.40	13.13	Supported
H3:	Perceived product value	→ Retention	--	--	--
H4:	Perceived product value	→ Commitment	--	--	--
H5:	Perceived product value	→ Cooperation	0.10	2.90	Supported
H6:	Perceived membership value	→ Retention	0.34	11.61	Supported
H7:	Perceived membership value	→ Commitment	0.91	23.35	Supported
H8:	Perceived membership value	→ Cooperation	0.90	18.25	Supported

*Cutoff of t-value is 1.96

In addition, in order to understand the total effect of social identification to each endogenous variable, a series of calculations was conducted and the results are reported in Table 4. As presented, the total effect of social identification to retention was the lowest (0.14), while its influences on commitment and cooperation were 0.36 and 0.39 respectively.

Figure 2
Estimated Structural Model

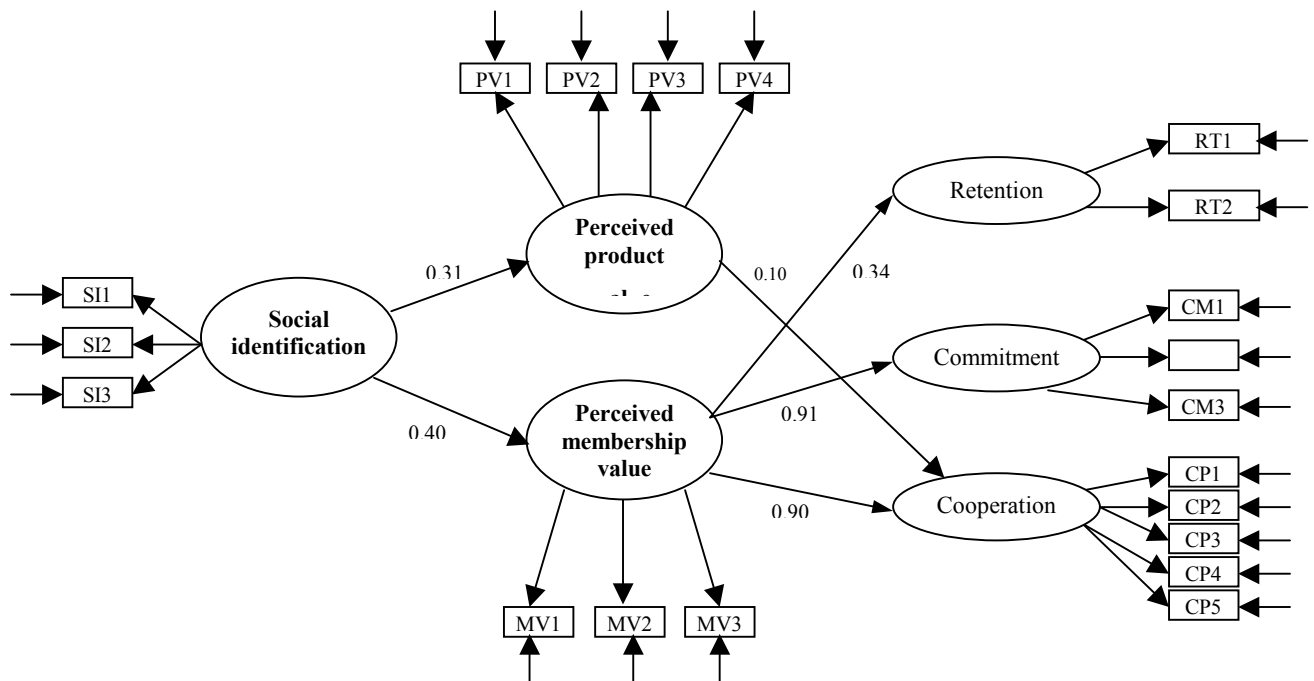


Table 4
Indirect Effects in the Results Model

Indirect relationship			Calculation	Coefficient
Social Identification	→	Retention	$0.31 \times 0 + 0.40 \times 0.34$	0.14
Social Identification	→	Commitment	$0.31 \times 0 + 0.40 \times 0.91$	0.36
Social Identification	→	Cooperation	$0.31 \times 0.10 + 0.40 \times 0.90$	0.39

CONCLUSIONS AND DISCUSSION

The major purpose of this study was to explore the influence of social identification on the development of mutual value for the two parties engaging in membership relationship marketing, members and the membership organization. This study first proposed and tested a structural model with eight hypotheses. The supported hypotheses confirmed the positive and significant influence of social identification on member perceived value and, subsequently, the influence on the value for the membership organization. At the first stage of the model, the influences were significant from social identification to both perceived product value (0.31) and perceived membership value (0.40), and the magnitudes of these two associations were similar. But at the second stage, while perceived product value only showed a significant but relatively small impact on cooperation (0.10), perceived membership value significantly influenced all three dimensions of value for the organization: retention (0.34), commitment (0.91), and cooperation (0.90), where the latter two dimensions were much more sensitive to the variation in perceived membership value.

Considering the indirect effects from social identification to the organization value set, the various levels of members' social identification better explained the disparity of commitment (0.36) and cooperation (0.39) than retention (0.14). Among the three dimensions of value for the organization, retention denotes members' repeat purchases of both memberships and core products and services associated with memberships. Hence, high purchase retention, in some sense, stands for the revenue value for an organization. As regards commitment, this construct measures members' long-term psychological attachment and promises/desires for continuing relationships with the membership organization. Long-term commitment is less volatile (Gruen 1995) than satisfaction, which decreases the possibility of a member's leaving and accordingly decreases the cost of maintaining the membership assets. Cooperation refers to the coordinating actions taken by members to achieve mutual outcomes (Gruen 2000). Therefore, cooperation also facilitates cost reduction, but is more focused on cutting the costs in attracting new members, operating memberships, and better understanding the needs and demands of members.

Considering the magnitude of both the direct and indirect effects of social identification on retention, commitment, and cooperation via perceived value, three major conclusions were drawn: 1) social identification plays an important role in developing a value network of membership organization; 2) by managing members' social identification, a membership organization can more easily control marketing and operating costs than increasing sales revenues; and 3) the causality from social identification to the value results of the membership organization was mediated via perceived membership value rather than perceived product value.

Having shown that social identification results in good value for both members and the membership organization, this study investigated the antecedents of social identification from members' perspectives. However, product attributes and the organization's

characteristics have also been suggested as significant antecedents of social identification (Bhattacharya, et al. 1995; Gutman and Reynolds 1979; Olson and Reynolds 2001). This leaves crucial and essential issues for future research on membership relationship marketing.

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RESTAURANT ATTRIBUTES AND CUSTOMER LOYALTY: A COMPARATIVE STUDY OF UPSCALE RESTAURANTS

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ABSTRACT

This paper aims to examine the extent to which the customers' perceived restaurant attributes have an effect on the overall satisfaction, trust, and commitment, and consequently their future purchase intentions with the organisation. The study surveyed the customers of two upscale full-service restaurants. A total of 653 usable questionnaires were completed through a tightly controlled Web survey. T-tests were conducted to test the significant difference in means among the constructs between the two sample groups. The study found that food quality, atmosphere, and commitment are perceived significantly different between the upscale restaurants. The results also showed a linear relationship between atmosphere and commitment.

KEYWORDS: upscale restaurants attributes, commitment, satisfaction, loyalty

INTRODUCTION

Restaurants are generally assumed to be in the business of selling food only. They are, however, essentially the businesses that deliver foodservice experiences. As indicated by Yuksel and Yuksel (2002), food has been considered as the core product of the restaurants but by no means the only part. Auty (1992) argues that restaurants compete primarily on 'style', encompassing attributes of service, décor, price and the atmosphere, and the dress and behavior of the clientele.

Finkelstein (1989) suggests that atmosphere of restaurants has been perceived as a feature of dining out equal in importance and sometimes are more important than the food itself. As a tangible factor, atmospheres, however, are described as a "silent language" (Kotler, 1974) or non-verbal communication (Wakefield and Blodgett, 1994), which is thought to induce specific emotional effects in the buyer and convert behavioral intentions into actual buying behavior (Kotler, 1974). Kotler goes on to suggest that atmosphere provides cues and one of the main tools to attract the intended market segment.

The role of atmosphere for upscale restaurants has been highlighted. For example, Wakefield and Blodgett (1994) posit that the consumption of leisure services, such as upscale restaurants is driven by emotional motives induced by servicescape. Similarly, Bitner (1992) maintains that service generally consumed "in the factory", the firm's physical facility have a strong influence on the customer's perception of service experience. However, its impact on customers' commitment behaviors has been untapped.

In relationship marketing, Gronroos (1990, p. 5) proposes: “establishing relationships with customers and other parties at a profit by mutual exchange and fulfillment of promises”. Further, Bowen and Basch (1994) indicate that if the firm develops a loyal customer base, people will trust the firm and they will trust the name. In line with those underlying notions, loyalty has been conceptualized as embodying trust and commitment (Czepiel, 1990). Berry (1995) suggests that solidifying the relationship, transforming indifferent customers into loyal ones, and serving customers as clients should also be considered as the cornerstone of services marketing. Sin et al. (2002) further suggest that building strong relationships between a firm and its customers can help the firm to increase the customer loyalty and/or commitment to the firm. Future purchase intentions, one dimension of loyalty, have been shown to have positive association with customer satisfaction. This study intends to examine the correlations of the attributes performance between two upscale restaurants and relational building constructs (e.g., trust and commitment) which lead to customer loyalty.

Objectives of the Study

Apart from the food quality and service, the long perceived critical factors in influencing customers’ restaurant choice and subsequent purchase behaviors, this study assumes that atmosphere in the upscale restaurants should play an important role in affecting customer purchase decisions and therefore customer loyalty. The objectives of this study are twofold:

- To explore the influence of restaurant attributes on customer behaviors toward the restaurants; and
- To examine the effects of restaurant attributes of different upscale restaurant settings.

It is anticipated that the study will provide an insight into the area of customers’ attitude during business exchanges and offer different perspectives and notions in forming customers’ loyalty behavior in upscale restaurants.

Constructs Development

As a part of the ongoing research, the study attempts to explore the impact of restaurant attributes (i.e., familiarity with the waiter, satisfaction with the waiter, food quality, atmosphere, and empathy) on overall satisfaction, trust, and commitment, and consequently on customer loyalty expressed by future purchase intentions in upscale restaurant settings.

Atmosphere

Atmosphere has been shown to affect customer satisfaction evaluation (Bitner, 1990) and patronage intentions (Darden et al., 1983). Moreover, the ability of the physical environment to influence customer behaviors is particularly apparent for service businesses, such as restaurants (e.g., Baker, 1987; Kotler, 1974). The atmosphere of a service environment is extremely important because of the intangible nature of services (Turley and Fugate, 1992) wherein it serves as a tangible clue. Mattila (2001) suggests that atmosphere is one of critical dimensions for customers in choosing restaurants and to a greater extent for a full-service restaurant (Sulek and Hensley, 2004). Similarly, Baker (1987) maintains that services, such as restaurants in which facility-based elements form a large part of the offering, tends to be those who in which customers spend considerably more time. Bitner (1990) suggests that the physical setting can influence the customer’s ultimate satisfaction with the service organization. In addition, it is posited that a person’s belief about a place may well influence emotional response to the place (Bitner, 1992). Further, Turley and

Fugate (1992) argue that those service organizations in which atmosphere is a dominant motive for patronage are classified as “atmosphere dominant”, such as upscale restaurants. They assert that for facility-driven services, the atmosphere may be the only tangible cue consumers have to process.

In the similar notion, Kotler (1974) posits that in some cases, the atmosphere is the primary product. Additionally, atmosphere has also been viewed as having effect on purchase behavior. Kotler (1974) suggests that atmosphere may serve as an attention-creating medium, message-creating medium, and affect-creating medium. He argues that various components of the atmosphere may trigger sensations in the buyers that create or heighten an appetite for certain foods, services, or experiences. In the restaurant context, he quotes a restaurateur “customers seek a dining experience totally different from home, and the atmosphere probably does more to attract them than the food itself.” He suggests that store atmosphere may affect product perception and be considered one of the most significant features of a product.

According to Garbarino and Johnson (1999) some consumers may use physical environment cues to assist them in forming global impressions due to the intangibility of services. Additionally, numerous researchers have investigated the impact of store atmosphere on consumers’ purchase behaviors and store image (e.g., Donovan and Rossiter; 1982; Kivela, 1997; Kotler, 1974), and attitude (e.g., Yoo et al., 1998). For example, Kivela’s (1997) results indicate that atmosphere may have a decisive role in the final selection or rejection in restaurant selection. The importance of atmosphere is further supported by the findings in an upscale restaurant setting (Wakefield and Blodgett, 1994) and in a full service restaurant in forming customers’ store image (Schrader and Schrader, 2004).

Specifically, the term “atmosphere” in this study will encompass only the ambient factor (i.e., noise and cleanliness) and design factors (i.e., comfort, view, and layout) in the physical facilities where the service is delivered. This study, however, will not include the social factor as suggested in the literature for the reason that the social aspect has been separately dealt with as independent constructs in this study. Atmosphere in this study is defined as the dining environment that induces the physical and psychological effects in customers during restaurant services.

Commitment

Commitment has been perceived as an essential ingredient for successful long-term relationships (e.g., Garbarino and Johnson, 1999; Morgan and Hunt, 1994). Moorman et al. (1992, p. 316) define *commitment* as “an enduring desire to maintain a valued relationship.” Once a true relationship is said to exist, the customer may actually take “ownership” in the marketing company to the point that he or she will begin to refer to it as “my bank” or “my supermarket” (Barnes, 1994). Commitment has been suggested to have three components: an instrumental component of some form of investment, an attitudinal component that may be described as affective commitment or psychological attachment, and a temporal dimension indicating that the relationship exists over time (Gundlach et al., 1995).

Garbarino and Johnson’s (1999) study of New York off-Broadway theatre company with respect to customer relationships suggest several facets, such as personal identification with the organization, psychological attachment, concern for the future welfare of the organization, and loyalty where *commitment* is described as “customer psychological attachment, loyalty, concern for future welfare, identification, and pride in being associated

with the organization” (p. 73). In line with their conceptualization on commitment, in this research of future purchase intentions in the restaurant industry, this study adopts identification with the organization, psychological attachment, and loyalty as the aspects to describe the commitment of the customers of restaurants. For the purpose of this study, commitment refers to the psychological attachment desired by the customer to maintain a long-term relationship with the restaurant.

Besides, commitment appears to be one of most important variables for understanding the strength of marketing relationship (e.g., Gundlach et al., 1995; Morgan and Hunt, 1994) and is thought to be associated with attitude or enduring predisposition, which is a critical component in measuring store loyalty (Macintosh and Lockshin, 1997). In addition, studies find commitment to be positively related to a variety of constructive behaviors, including retention and propensity to stay (e.g., Morgan and Hunt, 1994; O’Reilly and Chatman, 1986). Extending these notions to the service context, the organizational commitment of service customers is indicative of the organization’s likelihood of developing or maintaining customer identification with organizational goals and values and retaining the service customer as an active participant in the service encounter. As customers come to accept organizational goals and values through the socialization process, they become more committed to the organization through stronger identification and involvement with the organization (Kelley et al., 1990).

Hennig-Thurau et al. (2002) postulate that satisfaction positively influences commitment. A high level of satisfaction provides the customer with a repeated positive reinforcement, thus creating commitment-inducing emotional bonds. Highly committed customers should be willing to reciprocate effort on behalf of a firm due to past benefits received (Mowday et al., 1982). Also, committed customers may be willing to perform voluntary behaviors because they identify with a firm’s goals and values and are interested in the welfare of the organization (Bhattacharya et al., 1995).

Service Quality and Satisfaction

The customer choice of restaurant has been posited to be depended on the evaluation of attribute level importance in leading to customer satisfaction (Auty, 1992) and customers’ perceptions of value compared against quality and satisfaction is the gauge for their intentions to return to the restaurant (Oh, 2000) and the quality of food and atmosphere being the most important factors for repeat patronage (Kivela, 1997). While the positive affect is proved to be the deciding factor in services, none of the restaurant research attributed to the emotional component for the influencing factor of customer loyalty in upscale restaurants.

While numerous studies on restaurant services adopt confirmation/disconfirmation or gap model as the yardstick for evaluating customer satisfaction or service quality (e.g., Kivela, 1997; Oh, 2000; Winsted, 2000), others focus the attention on relational marketing in creating restaurant customer loyalty. Mattila (2001) theorizes restaurant loyalty by incorporating the concept of commitment to her restaurant study, by arguing that loyalty goes beyond promotional incentives and even beyond repeated purchases. Mattila (2001) suggests that loyalty that restaurateurs really seek involves attitudinal, behavioral, and emotional commitment to the restaurant. Restaurant loyalty can be achieved by creating strong emotional ties with the customers, then that affective bond leads to greater commitment. In turn, customers will not only return to the restaurant but also to say positive things about the restaurant.

METHOD

Data Collection

Two distinctive upscale restaurants catering to different clientele were specifically chosen for this study. One is located in rural area, some 90 kilometers outside the City of Melbourne in Australia, with a country-style theme, which accommodates mostly leisure customers during holidays and weekends. The other is situated in the CBD (central business district) of Melbourne. Its majority clientele consists of professional business people from the inner city. These two upscale restaurants were different in terms of location, themes, styles of operation, and market segments. Specifically, these two restaurants particularly vary in their atmosphere. It is therefore suggested that perceived atmosphere between the two upscale restaurants would play major role in affecting customers' behaviors.

Following the researchers' personal evaluation of the dining environment, intercepting the customers during dining was excluded as the means of surveying. Customers are usually unwilling to be interrupted during dining and lights are dimmed during the dinnertime, making reading and writing difficult. Hence, online survey was a preference to minimize the inconvenience caused to customers. The rationale in adopting this method for collecting data is also that web-based surveys offer several advantages over traditional paper-and-pencil surveys (Sax, Gilmartin, and Bryant, 2003) such as time- and cost-saving (Dillman, 2000) and their interactive nature appealing to respondents. Web surveys also are convenient for participants, since they usually can be completed at the respondent's leisure (Sax et al., 2003). They were found to be equally accurate as telephone surveys in predicting behaviors (Roster et al., 2004).

Research has shown that respondents with the Internet access have higher incomes and higher levels of education (e.g., Teo, 2001), which generally define the population of customers of upscale restaurants. This study was designed to reveal the customers' impression of upscale restaurant dining experiences pertaining to the tangibles (i.e., food quality and atmosphere) and intangibles (i.e., empathy, satisfaction with the waiter, and familiarity with the waiter) in predicting their future purchase intentions. As such, this study surveyed not only those diners that patronized our target restaurants but also the ones categorized as non diners who had prior similar dining experiences in other restaurants of the same standard and visited the Web sites of the target restaurants for possible visits. Respondents of this group were instructed online to answer the questionnaire based on their previous experience at another restaurant of similar standard. For these non-diners, their participation in the Web survey would require their memory recall of their dining experiences in the similar restaurant class. The researchers have adopted recall-based approach for measuring customer satisfaction in restaurant services to reflect the permission-related difficulties in implementing the surveys in restaurants (Yuksel and Yuksel, 2002). Diners and non-diners were identified through the questionnaire design for the analysis purposes. A five-point Likert-type scale ranging from (1) strongly agree to (5) strongly disagree has been used.

Measurement Development

There are five independent variables: satisfaction with the waiter, preference for the familiar waiter, food quality, atmosphere, and empathy in this study and they were measured in the following manner: *Satisfaction with the waiter* was assessed by the respondent's satisfaction with the waiter and opinions of the quality of the service performed by the waiter compared to other restaurants of the same standard. *Familiarity with the waiter* construct was assessed by the respondent's sense of familiarity and liking of being familiar with, and feel knowing the waiter. *Food quality* construct was assessed by how respondents feel about the

core service: food. *Atmosphere* was assessed by customers' satisfaction with the restaurant atmosphere. The atmosphere items consist of ambient and design factors, containing comfort, noise, view, cleanliness, and layout. *Empathy* construct were assessed by how respondents feel about the empathic behaviors of the waiter during the service delivery. The measurement items of these constructs were drawn from various sources (i.e., Dawson et al., 1992; Garbinaro and Johnson, 1999; Johns et al., 1996; Kivela, 1999; La Monica, 1981; Plank et al., 1996).

The four dependent variables: overall satisfaction, trust, commitment, and future purchase intentions in this study were also measured in conventional Likert scales. The *overall satisfaction* construct was measured by the direct overall perception of the restaurant by the subject and a comparative item to gain the overall feeling toward the restaurant compared to other restaurants of the same standard. The *trust* construct was measured as confidence in quality and good value for money for the service with the organization. The *commitment* construct was operationalized as identification with the company, psychological commitment, concern with the long-term welfare, and loyalty. The *future purchase intentions* construct was operationalized as people's willingness to engage in future interactions with the organization. The items were drawn from different studies (i.e., Butcher et al., 2002; Garbinaro and Johnson, 1999; Wulf and Odekerken-Schroder, 2003).

An independent samples t-test was conducted to test the hypothesis that upscale restaurants in different settings exhibit different attributes with regards to atmosphere, and food. The t-test assesses the statistical significance of the difference between two independent sample means (Hair et al., 1998).

RESULTS AND DISCUSSION

Demographic Characteristics of the Sample

A sample of 653 valid responses has been used for this study with 43% being female and 57% being male. The majority of respondents' ages were between 26-35 (46%) followed by the age group of 36 to 45 (21%). Of the respondents, 41% finished higher degrees followed by Tertiary (38%). Nearly 60% of the respondents reported to live with partner with no children below 12 years of age, followed by a single group (25%). The majority of the respondents (around 80%) had relatively high education. The results indicated that respondents of upscale restaurants appeared to be highly educated, middle aged, without children or without young children. Findings are consistent with the fact that upscale restaurant customers tend to be better educated and therefore with higher income.

A Comparison between the Two Restaurant Settings

Two upscale restaurants, named 'city restaurant' and 'country restaurant' were participated in this study. They, among other things, vary from each other in terms of location, themes, styles of operation, and market segments. Hence, it would be beneficial to examine if the perceptions of restaurant attributes from the respondents of these two restaurants are of significant difference. A series of t-tests has been conducted to test whether any differences exist between these two establishments.

Table 1
Differences between the ‘City’ and ‘Country’ Restaurants

Variable	Mean Diff.	t- value	Sig. (2- tailed)
I can always find something that I like	-0.17	-2.63	0.01
The food tastes good	-0.09	-1.95	0.05
Regularly change the selection of dishes	0.21	2.84	0.01
Level of comfort in the restaurant is high	0.13	2.42	0.02
View from the restaurant is good	1.16	14.66	0.00
The layout of the restaurant enables dining privacy	0.24	3.09	0.00
I care about the long-term success of the restaurant	0.17	2.07	0.04

City restaurant was perceived more favorably by its customers than country restaurant in offering more likable menu items to its customers and the good taste of food. The taste of food has been perceived as the critical element of food quality, which was found to be the most important factor affecting intention to visit restaurants (Kivela, 1997). Further, “food” was identified the most important element of the majority of meal experiences (e.g., Almanza et al., 1994; Johns et al., 1996) and one of the top three reasons for patronising the target restaurant in addition to service and atmosphere (Mattila, 2001). However, on customers query on regular change the selection of dishes, respondents rated country restaurant more highly than they did city restaurant (MD=0.21, $p=0.01$). This result confirms the intuitive expectations; because of its location country restaurant was keen on presenting its seasonal dishes from local produce delivered from its suppliers, while city restaurant emphasized its modern Australian cuisine that was manifested with some signature dishes and well-known culinary highlights.

The findings further indicated that country restaurant was perceived more favorably than city restaurant on the level of comfort (MD=0.13, $p=0.02$). The reason for this outcome could be related to the style and the customer profiles of market segments. The ‘country restaurant’ is a resort establishment catering to leisure customers who would dine in its restaurant not only for the meals but also to indulge themselves in the comfort of the environmental facilities such as the servicescape. The city restaurant however caters mainly for business people and its design accordingly was for the more formal, business setting.

In regard to the layout for dining privacy, country restaurant was more favored than the city restaurant (MD=0.24, $p=0.00$). The layout of city restaurant was an open square space while country restaurant had more dining sections and more spacious. It can be assumed that city restaurant had limited space because of its location compared to country restaurant. Country restaurant was also overwhelmingly favored on ‘the view from the restaurant’ by respondents compared to city restaurant (MD=1.16, $p=0.00$). It was apparent that country restaurant was perceived highly on the view element given the fact that city restaurant was located in the CBD area with windows to limited street view. In contrast, country restaurant was situated in lush country settings by a lake with a view further improved with natural lighting that came from windows all around. It was interesting to find that the largest difference in perception being the views of the two restaurants among all items examined.

The results further indicated that the customers of country restaurant cared more for the long-term success of their establishment than their counterparts (MD=0.17, $p=0.04$). The possible reasoning for this phenomenon was that country restaurant was considered a resort

establishment that was more unique in the market place against its counterpart. Such uniqueness was considered more favorably in the market place and less likely to be substituted. City restaurant, on the other hand, operates in a more competitive environment. The other possibility may be related to the factor of customer commitment. Literature suggests the link between the investment in the form of products, processes, or effort into the relationship, and commitment the customers have to that particular relationship (Selnes, 1998). Consequently, as the parties invest in a relationship, they simultaneously increase their dependence on each other, which bind both parties together in social systems (Emerson, 1962). Extending this theory to economic context, dependence can be divided into supply and demand or availability and motivational investment (Emerson, 1962).

Moreover, inputs to commitment have been described to involve idiosyncratic investments, and the dedicated allocation of resources, which become specific to a relationship (Anderson and Weitz, 1992). Certain inputs act as bonding mechanism between exchange partners and signaling their intentions. Extending to further relationship, attitudinal commitment is thought to relate to behavioral constructs, such as motivation, identification, loyalty, involvement, and behavioral intentions. In this context, country restaurant which was located in a tourist area and offered more on-premises facilities catering to its customers, such as dining and accommodation compared to the city one, required more investment in travel time. It can be reasonably assumed that customers of country restaurant showed their commitment to the restaurant that is likely to be fostered through repeat visits and consequently developed the relationship with the employees or the restaurant. In other words, they showed their involvement with the restaurant and cared about its success.

The ongoing discussion suggests that country restaurant was perceived much more favorably than the city restaurant in terms of layout, view, and comfort, while city restaurant focused on its food and service to satisfy its clientele who might patronize this restaurant for its food and service beyond the influence of its uncompetitive servicescape. City restaurant was generally perceived better than country restaurant in terms of taste of food and menu item selections although it was outperformed by country restaurant on regular change of menu items. City restaurant was renowned for its cuisine that emphasized the infusion of multicultural influence to its Australian cooking. These findings may help explaining in part the mutual influences of restaurant attribute performances and outcome performances from the restaurant attributes between these two distinctively different upscale restaurants.

CONCLUSION AND SUGGESTIONS FOR FURTHER STUDY

The city restaurant by comparison was generally rated higher on food quality while the country restaurant was favored on atmosphere, namely, layout, view, and comfort and commitment in specific on the care about the restaurant's long-term success. With the limited space due to its location, city restaurant, rather than focused on its servicescape, concentrated on the core service of food. On the other hand, country restaurant had the bestowed natural landscape to compliment its service offering which might induce the psychological impression on the services offered. This component has been suggested, in an upscale restaurant setting, to influence the time and frequency customers will stay in, and visit, the restaurant (Wakefield and Blodgett, 1996). Furthermore, in high contact services, service facilities are suggested to accommodate the customer's physical and psychological needs and expectations, and can create an emotional reaction in consumers (Turley and Fugate, 1992). Consumers tend to exhibit loyalty toward a specialty service. The findings suggest that customers seem to have developed commitment to the country restaurant in terms of care for its long-term success because of, at least to a large extent, its physical environment. While the

findings are rewarding, this does not claim to have covered the population fully from surveying two restaurants. However, the number of responses received from Web surveys should balance the weakness of it to a certain extent.

Overall, these two upscale restaurants did show the distinctive differences in many aspects. A linear relationship between atmosphere and commitment has been identified. Although the two restaurants are in the same category of upscale, the results point to two theoretical explanations. First, atmosphere did create a sense of commitment for customers and perceived as a critical factor in an upscale restaurant setting. Second, it can be postulated that as suggested in the literature atmosphere can appeal to a particular market segment. Along with this line, Turley and Fugat (1992) suggest that upscale restaurants are industries classified as atmospheric dominant, in which service facilities can create an emotional reaction in customers and subsequently loyalty behavior. In addition, Kaplan and Kaplan's (1982) study suggests that people respond positively to nature and prefer natural to manmade elements. This notion lends further support for this finding that the country restaurant situated in natural environment with which its restaurant atmosphere blends in was perceived more positively than city restaurant on atmosphere aspects. This study indicated that apart from the core product of food and service, the atmosphere, the physical facilities, could play a determining role in creating commitment the customers have toward the restaurants, particularly in upscale restaurants where customers are expecting and seeking physical and psychological needs.

This study can be extended for further studies. First, the restaurant samples of country and city restaurants can be combined as one single unit representing upscale restaurants on which a study can be conducted for testing the relationships among the constructs of this present study to engender a more generalized phenomena of customer loyalty in upscale restaurants. Second, it is suggested that, retained as two restaurant samples, structural equation modeling can be applied to test the relationships among the factors identified through principle component analysis for identifying latent relationships between two restaurant settings. These future studies should warrant fruitful results for the customers' purchase behaviors in upscale restaurants. Besides, it will be desirable to further conduct this study in other cultural settings for validation.

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TRANSFER OF FOOD SAFETY CERTIFICATION

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ABSTRACT

Providing safe and sanitary foodservice is an essential element of many tourism destinations (Henderson, 2004). The Centers for Disease Control and Prevention (CDC), for example, report the number of cruise ship gastrointestinal virus outbreaks have risen from 184 in 2004, to 919 in 2005 (Tobin, 2005). Studies have yielded evidence that travelers are, indeed, concerned about food safety (Yoon, Almanza, Nelson, & Morrison, Submitted 2003). British travelers, in a recent study, identified cleanliness and safety as one of their top five “pull” factors (Jang & Cai, 2002). Taiwanese travelers expressed similar concerns in another study of destination choices (Lang, O’Leary, & Morrison, 1997). Concern for food safety was also voiced at the National Sanitation Foundation conference held in Spain in 2000 (MacLaurin, 2001), where participants discussed mutual research issues in an effort improve the safe handling of food enmeshed in the global tourism industry.

The United States (U.S.) Food and Drug Administration (FDA) Food Code (2001) suggests that the foodservice manager in charge demonstrate knowledge of foodborne illness prevention through an accredited certification program. The overarching implication of the FDA proposal is that food safety certification training should ultimately improve food handling behaviors and, by extension, health inspection ratings. Moreover, some scholars (Kneller & Bierma, 1990; Nabali, Bryan, Ibrahim, & Atrash, 1986; Palmer, Hatien, & Jackson, 1975) have found support for this implied positive connection between food safety credentialing and improved health inspection outcomes .

However, a latter review of the literature (Ribem, Mathias, Campbell, & Wiens, 1994; P.D. Riben et al., 1994), specifically examining the effective transfer of food safety certification training into improved sanitation, yielded ambiguous conclusions. No clear connection between food safety certification and improved health inspections scores was found. As a result, the U.S. Department of Agriculture (USDA) funded a national study

examining the impact of foodservice manager credentialing on food safety knowledge and health inspection scores.

The study employed a stratified sample from 50 U.S. states, with one stratum including states requiring mandatory food safety certification and the other stratum including states not requiring certification. County health inspectors from each state were sent surveys to be completed by the manager on duty during their routine inspections. The survey queried the restaurants' market demographics, details of the managers' food safety credentials, as well as assessing their knowledge of safe food handling.

A series of diagnostics, descriptive analyses, including frequencies, means, and standard deviations, were conducted for all measurement items. Health inspection scores were then regressed onto the binomial certification variable (certified or not) to determine if a linear relationship existed between the two variables. SAS version 9.0, SPSS version 12, and Excel XP Office Professional were used for analysis.

The study, which is thought to be the most comprehensive of its sort to date, found a positive relationship between food safety certification and enhanced knowledge, $F_{(3,938)} = 14.45, p < .05$. However, no connection between certification and improved health inspection scores was found $F_{(89,782)} = 0.10, p > .05$. These results suggest that manager's increased food safety knowledge, gained in the food safety certification training is not transferring into improved food handler behaviors as monitored by health inspection. The proposed manuscript will explore issues surrounding transfer of food safety training into improved sanitation practice and suggest possible courses to improve it.

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STUDENTS' MOTIVATION TO LEARN: A COMPARISON BETWEEN UNDERGRADUATE STUDENTS MAJORING IN PARKS, RECREATION AND TOURISM AND THOSE IN OTHER MAJORS

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ABSTRACT

Often called a “Discovery Major,” the parks, recreation and tourism major tends to have more transfer students than other majors. Previous research has shown that educators and advisors sometimes perceive transfer students as less motivated than continuing students. This study explored the differences of between the Department of Parks, Recreation and Tourism (PRT) students at the University of Missouri-Columbia (MU) and non-PRT students who represented 52 majors on the MU campus. A survey was conducted among PRT students and students attending 3 general education courses on campus. Results confirmed that PRT students were more likely to have changed majors. Although PRT students reported lower ACT and GPA scores, there was no difference found between the two groups in their motivation to learn. However, compared to non-PRT students, PRT students perceived their major having more value when they perceived themselves having more control of learning.

KEYWORDS: Student Motivation, Tourism Studies, Undergraduate Students

INTRODUCTION

The parks, recreation and tourism major is often called a “Discovery Major,” meaning students usually do not start their freshman year with this major. Rather, they learn about the major after they are on campus and then transfer into the program. For example, in 2003, about 94% of new enrollment at the University of Missouri-Columbia (MU) was first-time college students. Yet at MU’s Department of Recreation, Parks and Tourism (PRT), an average of only 6.5% of new enrollment in the past 3 years were first-time college students. Almost 70% of PRT’s new enrollment each semester was internal transfers (existing MU students transferring from another major into PRT) and 23% external transfers (students transferring to the university as a PRT student).

Several studies have identified differences between how continuing majors (defined as students who started in a major as freshmen) and transfer students (defined as students who did not start in a major as freshmen) are perceived by program staff. For example, Mahon and Dannells (1998) conducted a survey among academic advisors from 6 four-year

colleges and universities and found that advisors viewed transfer students as less prepared, less motivated, and less knowledgeable about program requirements.

As noted by Mahon and Dannells (1998), it is not uncommon for people to believe that students majoring in travel and tourism majors are not as motivated to do well as other college students. Few if any studies have investigated differences between PRT students and student of other majors and their motivation to learn. Understanding the similarities and differences between students majoring in travel, tourism, and recreation majors and students from other majors will help travel and tourism educators develop strategies in enhancing student motivation and learning.

LITERATURE REVIEW

Motivation to learn is generally defined as “an internal state that arouses us to action, pushes us in particular directions, and keeps us engaged in certain activities” (Ormrod, 1999, p. 407). In psychology, there are many theoretical perspectives for studying motivation. The present study used *Expectancy-Value Theory* (Pintrich & Schunk, 2002; Wigfield & Eccles, 2000) to investigate whether there were differences in motivation to learn between PRT students and students majoring in other fields.

Motivation and Expectancy-Value Theory

Motivation has been studied extensively over the years using the Expectancy-Value Theory (Pintrich & Schunk, 2002; Wigfield & Eccles, 2000). The theory holds that a student’s motivation to meaningfully engage in an activity depends on two primary components: the students’ expectation of successfully completing the task and their perceived value for that task (Pintrich & Schunk, 2002). Expectancy for success refers to the student’s belief that they are in control of their learning and academic outcomes. One factor that is under the control of a student is effort (Pintrich & Schunk, 2002). Thus, if a student feels that no matter how hard she tries she will not have a positive academic outcome, then that student will likely feel that she has low control over her learning experience for that class. This perceived lack of control of learning may lead the student to have *expectations* regarding negative outcomes. Thus, it is likely to be predictive of the amount of effort that he or she will put forth toward the class.

The other primary component of motivation – task value – typically includes three aspects: the student’s interest in the task, perceived usefulness of the task, and the importance of the task (Wigfield & Eccles, 2000). The role of interest in expectancy-value models is to explain a student’s persistence and engagement in an academic activity. The more interested, the more likely will the student remain engaged in the activity. Usefulness of the task refers to the student’s perception that the task will be useful to meet some future goal. For instance, a student might perceive a class as useful for their goal of getting a good job after graduation. Importance of the task explains how much emphasis the student will put forth on doing well in the class depending on how important the task is to the student. In other words, does the student feel that a given task or activity is of high or low importance to them? Collectively, these components constitute an individual’s overall task value. These components are often used to explain an individual’s effort put forth toward a given task (Wigfield & Eccles, 2000). The higher the task value, the more effortful a person’s participation will be in a given activity, and vice versa. Thus, the more interested the student is in their major, the more useful the student perceives the major, and the more important the major, then the more effort the student is likely to put forth in pursuing the major.

Past research has clearly shown that students with a perceived high level of control over their educational outcomes and high perceived value for a class or academic activity, will be highly motivated to engage in and do well in that activity (Ormrod, 1999; Pintrich & Schunk, 2002). If transfer students do have less motivation than continuing majors as perceived by advisors (Mahon & Dannells, 1998), it is necessary to understand their perceptions of control of learning and task value so that educators can better target their audience in a class setting. Given the paucity of research on motivational differences between PRT students and students from other majors, it is not known whether PRT students who are mainly transfer students differ in these two components of academic motivation from continuing major students. Thus, this study is presented as an exploratory study to investigate this issue. The three research questions guiding this study were: 1) Do PRT students differ from non-PRT students with regard to number of times they changed majors (internal transfer rate), GPA, gender, ACT scores, and other background characteristics? 2) Do PRT students differ from non-PRT students with regard to perceived control of learning and task value? 3) Is students' perceived control of learning related to their perceptions of the value of their major? In this study, the task refers to the major they were in at the time of participating the study. Therefore, the task value is students' perception of the value of their major.

METHOD

Data were collected from undergraduate students enrolled at the University of Missouri-Columbia during the 2004/5 academic year. A total of 277 students completed the questionnaire, of which 96 were PRT majors and 181 were non-PRT students representing 52 majors from across campus. During the survey period, PRT had an average of 120 undergraduate students. Continuing major respondents were students enrolled in three different general education courses in the College of Agriculture, Foods and Natural Resources on campus. Participants were asked to fill out a questionnaire that solicited information on their demographic profiles, academic performance, perceived control of learning in their major and their perceptions of the value of their current majors.

The scales that measured control of learning and task value were developed using items from the *Motivated Strategies for Learning Questionnaire* (Pintrich, Smith, Garcia, & McKeachie, 1991), along with additional items. The items under each scale, their means, standard deviations and the scales' reliabilities scores are listed in Table 1. The control of learning scale was measured with four 7-point items with 1 representing "not at all true of me" and 7 representing "very true of me." Respondents as a whole reported relatively high level of agreement with the four items in the Control of Learning scale ($M = 5.71$, $SD = 1.03$) and the six items under the Task Value scale ($M = 5.75$, $SD = 1.11$). Reliabilities of the scales were examined using Cronbach's alphas. The Control of Learning scale had Cronbach's alpha of .81, while the task value scale had a reliability score of .95. According to Nunnally (1978), scales that have a Cronbach's alpha of at least .75 are considered reliable.

Table 1
Mean Scores, Standard Deviations and Reliabilities of Scales

Items	Mean	SD
<u>Control of Learning *</u>	<u>5.71</u>	<u>1.03</u>
If I study in appropriate ways, then I will be able to learn the material in my major	6.04	1.06
It is my own fault if I don't learn the course material in my major	5.70	1.38
If I try hard enough, then I will understand the course material in my major	6.07	1.04
If I don't understand a course material, it is because I didn't try hard enough.	5.03	1.56
<u>Task Value **</u>	<u>5.75</u>	<u>1.11</u>
I think I will be able to use what I learn in my major in the future	5.75	1.27
It is important for me to learn the course material of my major	5.72	1.21
I am very interested in the content area of my major	5.77	1.29
I think the course material in my major is useful for me to learn	5.65	1.25
I like the subject matter of my major	5.84	1.24
Understanding the subject matter of my major is very important to me	5.79	1.19

Note. Cronbach's Alpha * .81, ** .95

RESULTS

Table 2 lists results regarding continuing major and PRT student respondents' demographic profiles, major changes, and their academic performance. A significantly larger group of PRT students than non-PRT students were juniors and seniors ($\chi^2 = 9.46$, $p < .05$). The chi-square test results indicated that PRT students were more likely to have changed majors at least once since enrolling at the university. In addition, PRT students had changed majors more often than non-PRT students ($t = 2.44$, $p < .05$). PRT students reported significantly lower ACT scores ($t = 3.80$, $p < .001$) and overall GPAs ($t = 3.84$, $p < .001$) than non-PRT students. However, there was no significant difference in proportion of gender between the two majors. For both groups, over half of the respondents were male students.

Table 2
Respondents' Profiles and Their Academic Performance

	N	%	χ^2 value
Gender			1.48
PRT			
Male	54	58.1	
Female	39	41.9	
Non-PRT			
Male	118	65.6	
Female	62	34.6	
Class Level			9.46*
PRT			
Freshman	4	4.3	
Sophomore	11	11.8	
Junior	46	49.5	
Senior	32	34.4	
Non-PRT			
Freshman	13	7.2	
Sophomore	46	25.6	
Junior	64	35.6	
Senior	57	31.7	
# of students who changed majors at least once			3.853*
PRT		52.1	
Non-PRT		39.8	
	MEAN	SD	t-value
Total # of times they changed majors			2.440*
PRT	1.00	1.11	
Non-PRT	0.68	1.00	
Overall GPA			-3.839***
PRT	2.80	.48	
Non-PRT	3.03	.44	
ACT score			-3.797***
PRT	22.99	3.80	
Non-PRT	24.77	3.37	

* p<.05; ** p<.01; *** p<.001

The mean scores of PRT students' and non-PRT students' perceived control of learning and their perceptions of task value are listed in Table 3. With regard to research question 2, t-tests were conducted to examine the differences in control of learning and task value between the two groups. Results of t-tests revealed that there were no significant differences in control of learning ($t = 1.07$, $p > .05$) and task value ($t = .40$, $p > .05$) between PRT and non-PRT majors. In other words, both groups reported similar control of learning beliefs, and they had the same perceived value of their majors.

Table 3
Comparison of PRT and non-PRT Students' Perceived Control of Learning and Task Value

Scale	Mean	SD	t-Value
Control of Learning			
PRT majors	5.80	1.02	1.07
Non-PRT majors	5.66	1.03	
Task Value			
PRT majors	5.79	1.07	.40
Non-PRT majors	5.73	1.13	

To answer research question #3, Pearson's correlations were conducted between students' perceived control of learning and task value for each group. Results of the correlations are displayed in Table 4. The correlation between task value and control of learning was significant for both PRT students and non-PRT students ($r=.658$ and $r=.315$, respectively). As the Expectancy-Value Theory claims, control of learning beliefs is predictive of task value. Results of this study provided support for this claim.

Table 4
Correlations between Control of Learning and Task Value for PRT and Non-PRT Students

	r
Control of Learning vs. Task Value	
PRT majors	.66***
Non-PRT majors	.32***

p<.001

Although there is no difference between PRT students' and non-PRT students' perceived control of learning and task value, it is interesting to note though the difference in correlations of the two constructs for both groups. The correlations suggest that as students' control of learning increases, so does their task value and vice versa. However, this is more so for PRT students than for non-PRT students. The test for the difference of two independent sample correlations indicated that PRT students' control of learning was significantly more predictive of their perceived value of their major as compared to non-PRT students ($p < .05$). To test the difference of two independent sample correlations, the following formula was used (Cohen, 2001):

$$z = (Z_{r1} - Z_{r2}) / \sqrt{[(1/N_1 - 3) + (1/N_2 - 3)]}$$

This difference indicates that the PRT student's task value for their major may be influenced by their perceptions of control of learning more so than compared to non-PRT students.

DISCUSSION

Results of the study show that students majored in Parks, Recreation and Tourism were more likely to be transfer students than students from other majors on campus. It seems that a large portion of the PRT students transferred into the major as juniors and seniors. They tended to have lower ACT and GPA scores than non-PRT students. This may give parks, recreation and tourism educators and advisors an impression that they are dealing with students who are low achievers and less motivated to learn.

However, results of this study did not show PRT students' motivation to learn was significantly lower than that of non-PRT students. Motivation to learn, measured by perceived control of learning and task value, was the same for both PRT and non-PRT students. For both groups, perceived control of learning and perceived value of the majors they were in were significantly correlated. This supported the Expectancy-Value Theory's claim that students' perceived control of learning contributes to their perceptions of the value of their major.

Not only the study did not show PRT students were less motivated than non-PRT students, the study suggests PRT student's perceived value for their major may be more influenced by their perceptions of control of learning, than compared to non-PRT students. Given these results, PRT instructors may want to be particularly sensitive to creating an environment that fosters a student's sense of being in control of their own learning. As the results above indicate, this should result in more student interest in the major and an enhanced sense of importance and usefulness of the academic material covered in the major. The more in control they feel, the more interested they are in their majors, and the more useful and important they perceive of the subject matter. Parks, recreation and tourism educators and advisors may want to focus PRT students' attention on how they should be in control of their own learning to ensure positive outcomes of teaching.

Since motivation was only examined by measuring students' perceived control of learning and task value, results of the study should be interpreted with caution. Students' motivation to learn is a multi-facet construct, and thus, future studies should investigate other aspects of students' motivation (e.g. goal orientations, academic self-efficacy, etc.). This study only demonstrated that PRT students and non-PRT students did not differ in motivation to learn in terms of their perceived control of learning and task value. The difference may exist between the two groups in other aspects of motivation to learn.

Another limitation of the study is that non-PRT student respondents although represented students from 52 majors on campuses they were selected from three general education classes in one college on campus. Thus, this sample may not truly represent the student population on campus.

In spite of these limitations, this study which was exploratory in nature, provided insights to parks, recreation and tourism researchers in understanding how PRT students differed from non-PRT students in changes of majors and academic performances. Educators in parks, recreation and tourism should pay special attention to these differences in order to develop effective strategies to motivate students to learn.

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PROFESSIONAL MODULE DEVELOPMENT

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ABSTRACT

A professional module is to be developed in order to prepare Rosen College hospitality students for careers in the hospitality industry. While working with human resource departments throughout Orlando a survey will be developed to gauge student awareness of professionalism, a module that will be presented in each Introduction to Hospitality and Tourism class, and a survey for the human resource professional that works with the Rosen College student to determine the program's effectiveness. This is a longitudinal study that will be administered every semester for the next five years.

The Rosen College of Hospitality Management maintains a close working relationship with hospitality and tourism professionals throughout the world. Based on the applicability of the course offerings at the College, emphasis is spent on keeping our students up to date on current best practices in the industry. Through ongoing discussions with our contacts, we have found that our students need assistance in developing their professionalism skills. These include everything from proper interview attire to proper e-mail etiquette.

Because our students require 800 hours of cooperative/experiential industry experience to fulfill their degree requirements, they need to be effectively trained in professionalism as soon as possible in their academic career. The class chosen for this program is the HFT 1000 - Introduction to Hospitality and Tourism Management - which is a requirement of all students within the Rosen College of Hospitality Management.

To ensure an applicable result for the industry we represent, we will be coordinating with Human Resource hospitality managers in the Orlando area to come up with areas of greatest concern to our students' professional development. We will use this information as well as the information collected through our research with secondary sources to create a survey for both the hospitality and tourism industry managers and students and a Professionalism Teaching Module (PTM) for every instructor to incorporate into their specific section of the HFT 1000 Introduction to Hospitality and Tourism Management lesson plan.

The industry executives will be selected from operations throughout central Florida and will be those with whom we already have a working relationship. These individuals will be identified through our Cooperative Education office. Data will be collected from these individuals pursuant to Rosen College students' levels of professionalism. This data collection process will take place before the semester begins to get baseline data concerning Rosen College students before exposure to the teaching module.

Thereafter, the data will be collected on an annualized basis to decipher the effect of this Professional Teaching Module (PTM) on the students' level of professionalism. The assumption being the more students that get through the program after taking a class with this module the higher the industry managers will rate their professionalism.

Specifically, the teaching module will include a power point presentation, in class exercises, pre- and post-assessments to garner levels of student learning, and a coinciding reading assignment.

Table 1
Goals and Outcomes of Professional Module Development

Goals	Outcomes
Prepare students to be professional in an industry where appearance is vital.	The students will make learned decisions based on exposure to best practice etiquette techniques
Maintain a dialogue with the industry to help assist our students become competitive job candidates.	Apply knowledge that will assist student in attaining the highest level of job based upon their experience and level of education.
Create a device to measure the knowledge of the students' professionalism before and after the teaching module.	This will aid in monitoring the students' comprehension and measuring their aptitude to make certain the class maintains its' applicability.
Create a device to measure hospitality and tourism manager's impression of Rosen College student's professionalism.	To monitor progress and to maintain a working relationship where areas of concern are focused on.

The assessment will include:

- 1) a pre- and post-quiz-type assessment for the students to ascertain level of knowledge and comprehension
- 2) an annual survey starting with baseline data collection of the greater Orlando/central Florida Hospitality and Tourism Human Resource Managers that are involved in Rosen College's cooperative work program on their perception of Rosen College students' level of professionalism

RETHINKING HIGHER EDUCATION IN TOURISM: WHAT SCHOOLS SHOULD TEACH

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ABSTRACT

Tourism education was derived from the technical schools in Europe, which held the training in hospitality, hotel management, and related areas at the core (Butler, 1999; Morgan, 2004). The debates over tourism programs at universities appear to center on the balance between a vocational versus an academic focus. Tourism courses in higher education are often referred to as vocational (Busby, 2001); educators are likely to focus on producing skilled and knowledgeable managerial personnel for the industry. It has been a suggestion that too much academic focus is subject to the criticism of being irrelevant to the actual work of tourism professionals (Churchward & Riley, 2002). Interestingly, not much discussion has taken place beyond the vocational or academic focus, that is, not much attention has been devoted to the value or meaning of tourism education.

This paper attempts to promote awareness of the significance of overlooked perspectives and critical issues in tourism education at the university level by examining two possible approaches to educating future tourism professionals. The first approach discusses tourism education with employability as an end goal, explaining why this approach educationally shortchanges students and can have several other negative consequences for the tourism industry, tourists, and the cultures of the host regions. The second approach elaborates on providing students with a philosophical and sociological foundation for their good as well as for professional preparation, addressing why and how we can provide students with more meaningful learning experiences.

Students see university education as an investment for a future career and its monetary return. Diploma or certification offers economic value to the graduates, giving them the power to define and respond to the expectations of society (Illich, 1970). Tourism pedagogies seem largely driven by economic considerations, making tourism education susceptible to social manipulation. Most discussions of tourism curricula tend to center on the balance between the vocational focus and the academic focus. It is merely a discussion about efficient and effective transferability of school curricula to the daily operation, overlooking the value of learning and the intangible impacts of tourism. It is clear that too much focus on the employability is at odds or in conflict with the goals of producing graduates who are intrinsically motivated.

Tourism is a social phenomenon that (re)creates and (re)produces societal ideologies. The economic impact of tourism may appear to be a simple representation of reality, but another reality, the complex construction of society is obscured by this simple “reality.” “The reality is the product of human interactions under historically specific material and social

conditions” (Hemingway, 1999, p. 499). Tourism development and marketing have the potential to reinforce ideological images of the sites and result in stereotyped roles for people and society. Therefore, we need to examine the construct of the seemingly simple reality to better understand the industry. If tourism programs are geared toward creating managers, the lack of epistemological inquiry may lead to producing managers who may unintentionally employ gender images damaging and oppressive in the interests of marketing. By relying on the conventional view of tourism education, researchers may be overlooking the questionable practices of the tourism industry and, subsequently, the quality of tourism education. Students are “concrete persons with whom they have real ties in the process of cultural and economic reproduction” (Apple, 1990, p. 133). Hence, the role of tourism education is clearly more than processing or enabling students so that they are employable.

Tourism educators need to ask whether employability is the only important end product of the tourism education. Giving eventual meaning to employability is merely a reproduction of the contemporary society’s dominant ideology. Educators are a part of the process of tourism development. We do not exist in a vacuum; our knowledge and activities represent ideological configurations of dominant interest in a society, and we can easily be reduced to a reproductive force of the ideologies in the society (Apple, 1990). Obviously, as Giroux (1993) recommends, educators should provide students intellectual and moral leadership. The sociology of tourism is one of the areas that should be incorporated to the curriculum, and it must be inquired epistemologically. The philosophical foundation of tourism provides students with the bases to address epistemological issues by thinking critically about the ideology of tourism. Such knowledge would be valuable to practitioners in articulating existing social issues related to tourism, and foreseeing potential consequences of their practices.

This paper is only an introductory exploration of the non-vocational portion of tourism pedagogy in higher education. The paper does not choose one over another, and it rather suggests the significance of the both vocational and non-vocational education by shedding light on some aspects of overlooked issues: philosophical foundation and sociology of tourism. Much inquiry about tourism education appears to have made in the U.K. and Oceania. The discussion provides insight into the role of higher education of tourism, and suggests the need for creating both skilled and reflective graduates of the programs.

It also suggests further studies on tourism education in other countries. As Edensor (2000) suggests, there is a need for more empirical research in order to further explore and understand the sociology of tourism. At the same time, educators are more than skilled experts in classrooms; they are “social leaders, cultural advocates, and moral visionaries, spiritual directors who choose to do their leading, advocating, visioning, and directing” (Purpel, 1998, p. 361). Consequently, we, as tourism educators, need to revisit the focus of the education that we provide our future professionals and scholars.

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MULTI-DESTINATION TRAVELERS: BEHAVIORAL AND SOCIO-DEMOGRAPHIC PROFILES

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ABSTRACT

Previous literature has expressed a sense of urgency for having a better understanding of the behavioral patterns of multi-destination travelers. The goal of this study was to develop a typology distinguishing multi-destination travelers based on the benefits they sought from traveling to multiple destinations. The study delineated multi-destination travelers into the cost and benefit, variety seeking and purpose, and unconcerned groups. An in-depth analysis of the behavioral characteristics of these multi-destination travelers revealed that each of the three groups was unique. They differed in terms of their attitudes towards the infrastructure of Asia, personality, and motivations for long-haul vacation travel. Significant implications for destination marketers were identified.

KEYWORDS: Multi-destination, benefit segmentation, behavioral, social-demographic

INTRODUCTION

Previous studies have indicated that single- and multi-destination travelers should not be treated as one homogenous group (So & Morrison, 2004; Wall, 1978). Yet, relatively few studies have been devoted to the examination of multi-destination travelers (Leiper, 1989; Tideswell & Faulkner, 1999; Hwang & Fesenmaier, 2003). Most of the existing tourism research is based on the assumption that individuals travel to one destination (Lue, 1992). Understanding multi-destination travel patterns is important as different marketing approaches should be used for different patterns (Lue, 1992; Hwang & Fesenmaier, 2003).

Multi-destination travel can enhance the market potential and success of two or more destinations (Lue, 1992). Multi-destination travel has an added value dimension, since people not only include the primary destination, but also visit nearby destinations. By examining multi-destination travelers, there is more of a focus on the linkages among destinations or attractions. This may help in increasing the economic returns to the destinations (Lue, 1992). Furthermore, an understanding of the linkages among destinations facilitates cooperative

marketing efforts (Lue, 1992). Therefore, it is very critical for destination marketers to understand the behavior of multi-destination travelers.

The study of multi-destination travel can be examined as a variety-seeking behavior construct, which has its roots in psychology. Consumers have different reasons for buying a variety of products (Hoyer & Ridgway, 1984). Hoyer and Ridgway (1984) indicated that variety-seeking behavior may not be homogeneous. They found that not all purchase exploration behavior was the result of a variety-seeking drive. Individuals sometimes buy products based on promotions, price-related reasons, or from seeing special point-of-purchase displays of another product (Hoyer & Ridgway, 1984). Furthermore, the direct influence of another person may also affect an individual's purchase decision (Hoyer & Ridgway, 1984). Therefore, not all variety-seeking behavior is the same. Different types of variety-seeking behaviors can affect the willingness of consumers to try new products and the time period required for an advertising campaign (Hirschman & Wallendorf, 1980). For these reasons, it is important for marketers to understand variety-seeking behavior.

Lue, Crompton, and Fesenmaier (1993) proposed a typology for classifying pleasure trips using the dimensions of number of destinations visited, and purpose or benefit sought. However, their study was aimed at classifying single- versus multi-destination travelers. A typology of multi-destination travelers was attempted in a recent study (So, Morrison, & Beldona, 2004). Their study segmented multi-destination travelers into three groups including "stimulus seeking," "novelty seeking," and the "combination of stimulus seeking and novelty seeking" based on past and future travel behaviors. Their results indicated significant differences among the three groups in household incomes, perceived risk in the Internet, and multi-destination travel to Asia. There is a need to explore other valid segmentation approaches for multi-destination travelers.

Previous studies have indicated that the characteristics of multi-destination travelers include seeking multiple benefits, having heterogeneity of preferences, reducing risk or uncertainty, rationalizing economic costs, visiting friends and relatives, using certain specific types of travel arrangements, enhancing travel mobility, making the most of travel time constraints, and destination familiarity (Beaman, Jeng, & Fesenmaier, 1997; Tideswell & Faulkner, 1999). Further study needs to be done in order to integrate and consolidate a diverse range of previously-positied characteristics associated with multi-destination travel. This study seeks to address the need.

Past studies on benefit segmentation revealed that identified groups or segments tended to be more distinct a posteriori, when benefits sought are used as the base variable (Kastenholz, Davis, & Paul, 1999; Sarigollu & Huang, 2005). Segmentation utilizing benefits as a base is increasingly gaining more empirical as well as practical significance (Sarigollu & Huang, 2005). Kastenholz, Davis, & Paul (1999) concluded that benefit segmentation predicts behavior better than demographic and geographic segmentation. Segmenting multi-destination travelers based on the benefits they seek in multi-destination travel participation should provide a more in-depth and solid exploration into the nature of such behavior. When utilized as a base variable for segmentation, benefits sought are more indicative of the causative rather than the mere descriptive dimensions of behavior. Another advantage of segmenting groups based on benefits sought is that it views multi-destination travel - a priori - as a means toward an end represented by the benefits sought (Sarigollu & Huang, 2005).

OBJECTIVES

The goal of this study was to develop a typology distinguishing multi-destination travelers based on the benefits sought from traveling to multiple destinations. Behavioral characteristics including personality, motivation towards long-haul travel, and attitudes towards travel to Asia were also examined. In addition, socio-demographic and information-seeking characteristics were compared among the groups of multi-destination travelers to identify unique characteristics.

METHODOLOGY

The data utilized in this study were from the *Destination Choice Behavior Study for Macao*. A total of 2,554 personal interviews of international visitors to Hong Kong and Macao were conducted (1,313 in Hong Kong and 1,241 in Macao). The term “destinations” was defined as the number of cities to which visitors traveled in China including Macao and Hong Kong. Therefore, “multi-destination” visitors traveled to two or more cities on current trips. Factor analysis was used to examine the underlying dimensions of personality, motivation, and attitude characteristics. Cluster analysis was used to distinguish visitors into segments based on the benefits they sought for trips to multiple destinations. One-way ANOVAs were used to identify behavioral differences among the clusters. In addition, multinomial logistic regression was used to compare the socio-demographic and information source characteristics among the segments so that marketers can more easily target them.

RESULTS

Cluster analysis was conducted to segment the multi-destination travelers into homogenous groups in terms of the benefits that influenced multi-destination choices. Only those visitors who visited more than one destination were included. Factor analysis was used to group the benefit statements that influenced multi-destination choice (Table 1). The results of the analysis indicated that the first three factors including destination, cost and benefit, and variety seeking and purpose-oriented had reliability coefficients higher than 0.50. For the fourth factor of friends and family, the reliability alpha was 0.37, which means that the two statements were not measuring a similar factor. The factor score of the first three factors, and the two statements were used as the clustering criteria.

Table 1
Factor Analysis of Benefits of Multi-Destination Travel

Factors	Loading	Eigen-value	Variance Explained	Reliability Alpha
<i>Factor 1: Destination</i>		3.29	23.48	0.67
Destination familiarity	0.72			
Distance between different stops	0.66			
Same type of attractions in all destinations	0.64			
Travel time it will take to fly to the destination	0.63			
<i>Factor 2: Cost and Benefit</i>		1.49	10.65	0.56
Cost of visiting each destination	0.73			
To maximize the benefits of the trip at a minimum cost	0.70			
Vacation time available	0.60			
Factor 3: Variety seeking and purpose-oriented		1.30	9.30	0.59
Increase travel efficiency by visiting many destinations that interest you	0.72			
Reduce the risk of being dissatisfied with your vacation	0.67			
Satisfy the needs of all your travel companions	0.58			
Seek variety on the trip	0.53			
<i>Factor 4: Friends and family</i>		1.16	8.28	0.37
Recommendation from friends or relatives	0.73			
Visit friends and family	0.69			
Total Variance Explained			51.72%	

Both hierarchical and non-hierarchical cluster analysis were used for the clustering procedure. Ward's method was chosen to minimize the within-cluster differences. The agglomeration coefficient was used as a stopping rule to examine the changes in the coefficient at each stage of the hierarchical process. The agglomeration coefficient is a commonly used technique for deciding on the number of clusters in hierarchical cluster analysis. When there are large coefficient or percentage change in the coefficient, this indicates that two very different clusters are joined (Hair et al., 1998). The results indicated that a noticeable change occurred in combining the fourth into three clusters, suggesting three clusters were most appropriate. A three-cluster solution was then conducted using the non-hierarchical analysis.

The three clusters were named as the cost and benefit, unconcerned, and variety-seeking and purpose clusters. The names of the clusters were chosen based on the characteristics of each cluster. The three clusters matched the segments previously mentioned in the past consumer behavior literature. The cost and benefit cluster was similar to the situational group that (Hoyer & Ridgway, 1984) identified in their model of variety-seeking behavior. That is, for the situational group, people preferred brands/products on sale and special point-of-purchase displays of another product. The variety-seeking and purpose group identified in this study was similar to the variety-seeking and problem-solving group that Hoyer & Ridgway, 1984 identified in their model. Givon (1984) classified one segment of his respondents as the unconcerned group. He concluded that the unconcerned group was neither against variety nor actively looking for variety. Therefore, the unconcerned group in this study also matched Givon's results.

The cost and benefit group had the strongest indicator in the cost and benefit dimension (Table 2). This group was concerned more about the cost and the benefits when traveling on long-haul trips. They were highly influenced by the recommendations of friends or relatives when compared to other groups. Like the variety-seeking and purpose-oriented group, this group was also concerned about destination characteristics.

The variety-seeking and purpose group was highly influenced by variety seeking and also concerned about the purpose of the trip (Table 2). They were affected by the visiting friends and family purpose. In addition, they also were concerned about the characteristics of the destination. The unconcerned group had the lowest scores among all factors (Table 2). They had the lowest influence from friends or family and traveling to multiple destinations for the purpose of visiting friends and family.

ANOVA was used to compare the differences in the behavioral characteristics of the three clusters, including attitudes, personality and motivation. The factor analysis of the attitude characteristics for multi-destination travelers is shown in Table 3. The results indicated that all the three factors had reliability coefficients of 0.49 to 0.71. Due to the rather high loading on the destination factor, and the reliability alpha 0.49 was very close to 0.50, the destination dimension was also included in the next step when identifying the cluster characteristics.

The factor analysis on the personality characteristics of multi-destination travelers is shown in Table 4. The reliability alphas ranged from 0.50 to 0.59. The factor analysis of the motivation characteristics for multi-destination travelers is presented in Table 5. The reliability alphas ranged from 0.74 to 0.78 indicating acceptable reliability.

Table 2
Multi-Destination Traveler Benefit Segments

Factors	Cluster1 (Cost and Benefit) n = 394	Cluster2 (Unconcerned) n = 609	Cluster3 (Variety Seeking and Purpose) n = 671
Compare the mean factor loadings for each factor among the three clusters			
Destination	0.0042	-0.1417	0.0801
Cost and Benefit	0.3612	-0.3705	-0.0992
Variety seeking and purpose	-0.1402	-0.0924	0.1782
Compare the mean for each factor among the three clusters			
Visiting friends and family	1.2393	1.5287	4.1601
Recommendation from friends	3.9380	1.5573	3.8154

Table 3
Factor Analysis of Attitudes for Multi-destination Travelers

Attitudinal factors	Loading	Eigen- value	Variance Explained	Reliability Alpha
Infrastructure		1.71	24.50	0.71
Asian tourism industry is well developed	0.87			
Asia has a well developed infrastructure	0.86			
Destination		1.48	21.20	0.49
Traveling to Asia takes too long	0.73			
Vacations to Asia are more of a hassle than a holiday	0.71			
It is important that people speak my language when traveling in Asia	0.65			
Cost and Value		1.28	18.24	0.50
Travel to Asia is very inexpensive	0.83			
Money spent on travel to Asia is well spent	0.78			
Total Variance Explained			63.94%	

Table 4
Factor Analysis of Personality for Multi-destination Travelers

Personality factors	Loading	Eigen- value	Variance Explained	Reliability Alpha
Culturally Allocentric		2.53	25.28	0.59
I prefer to travel to countries where the culture is different from mine	0.75			
I prefer to seek the excitement of complete novelty by engaging in direct contact with a variety of new and different people	0.73			
If I find a place that particularly pleases me, I may stop there long enough for social involvement in the life of the place to occur	0.62			
When I travel, I like to go to multiple destinations	0.60			
Travel Arrangement Psychocentric		1.42	14.25	0.59
I prefer to make major arrangements through travel agencies when traveling outside my country	0.84			
I prefer to start a trip with preplanned or definite routes when traveling in a foreign country	0.76			
I prefer to be on a guided tour when traveling in a foreign country	0.54			
Destination Psychocentric		1.32	13.24	0.50
I prefer to have travel agencies take complete care of me, from beginning to end, when traveling in a foreign country	0.71			
I put a high priority on familiarity when thinking of destinations	0.69			
Once I get to my destination, I like to stay put	0.68			
Total Variance Explained			52.77%	

Table 5
Factor Analysis of Motivation for Multi-destination Travelers

Motivation factors	Loading	Eigen- value	Variance Explained	Reliability Alpha
Knowledge		4.65	27.35	0.78
Experiencing different culture	0.83			
Learning new things	0.76			
Experiencing new/different places	0.73			
Enriching myself intellectually	0.72			
Traveling to far away destinations	0.47			
Relaxation		2.28	13.40	0.77
Relieving stress and tension	0.81			
Relaxing physically and mentally	0.78			
Getting away from demands of everyday life	0.77			
Getting away from crowds	0.64			
Escaping from the routine	0.50			
Social and Prestige		1.84	10.81	0.74
Going places my friends have not been	0.80			
Developing close friendships	0.77			
Meeting people with similar interests	0.69			
Telling my friends about the trip	0.67			
Excitement and adventure		1.25	7.33	0.78
Doing exciting things	0.82			
Being adventurous	0.80			
Being entertained	0.74			
Total Variance Explained			58.88	

The results of ANOVA indicated that except for the attitude towards infrastructure, travel arrangement psychocentric, and motivation towards excitement and adventure, all other dimensions of the behavior characteristics were significantly different (Table 6).

Table 6
ANOVA Results of the Three Clusters

Behavioral Characteristics	Cost and benefit group	Unconcerned	Variety seeking and purpose	F value	p value
Attitude - Asia's infrastructure	0.06	-0.05	-0.02	1.31	0.27
Attitude - Asia as a destination	0.00	-0.17	0.10	7.52	0.00
Attitude - cost and value in Asia	0.12	-0.07	-0.06	5.24	0.01
Personality - Culturally Allocentric	0.12	-0.19	0.00	9.06	0.00
Personality - Travel arrangement Psychocentric	0.00	0.00	0.00	0.01	0.99
Personality - Destination Psychocentric	-0.09	-0.12	0.15	9.63	0.00
Motivation - Knowledge	0.14	-0.17	-0.03	9.74	0.00
Motivation - Relaxation	0.07	-0.10	0.00	2.47	0.09
Motivation - Social & Prestige	-0.05	-0.28	0.21	25.42	0.00
Motivation - Excitement and adventure	0.04	-0.02	-0.03	0.65	0.52

An examination of the differences in each behavioral characteristic among each cluster was also conducted (Table 7). The results indicated for attitude towards destinations, there were significant differences among all groups.

For attitude towards cost and value in Asia, there were significant differences between the cost and benefit group and unconcerned group; and the cost and benefit group and variety-seeking and purpose group. However, there were no significant differences between the unconcerned group and variety-seeking and purpose group (Table 7). For personality (culturally allocentric), significant differences were found among all groups (Table 7). For personality (travel arrangement psychocentric), there were no significant differences among the three groups (Table 7). In terms of personality (destination), there were significant differences between the unconcerned and variety-seeking and purpose groups (Table 7). There was also a significant difference between the variety-seeking and purpose and cost and benefit groups. For motivation (knowledge), there were significant differences among all groups (Table 7). For motivation towards relaxation, no significant differences were found between the cost and benefit and variety-seeking and purpose groups. For motivation towards social and prestige group, significant differences were found among all groups (Table 7).

Table 7
ANOVA - Comparison of the Behavioral Characteristics for Each Segment

Behavioral Characteristics	I-Reference Group Cost and Benefit		II-Reference Group Unconcerned	
	Unconcerned (Mean Difference)	Variety Seeking and Purpose (Mean Difference)	Cost and Benefit (Mean Difference)	Variety Seeking and Purpose (Mean Difference)
Attitude towards Asia's infrastructure	0.11	0.08	-0.11	-0.04
Attitude towards Asia as a destination	0.17**	-0.11*	-0.17**	-0.27***
Attitude towards cost and value in Asia	0.19***	0.18***	-0.19***	-0.01
Personality- Culturally allocentric	0.31***	0.12*	-0.31***	-0.19**
Personality- Travel arrangement psychocentric	0.03	0.03	-0.03	0.00
Personality - Destination	0.03	-0.23***	-0.03	-0.26***
Motivation - Knowledge	0.31***	0.17***	-0.31***	-0.15**
Motivation - Relaxation	0.16**	0.07	-0.16**	-0.10
Motivation - Social & Prestige	0.23***	-0.26***	-0.23***	-0.49***
Motivation - Excitement and adventure	0.06	0.07	-0.06	0.01

*p < 0.10; **p < 0.05; ***p < 0.01

The results of the multinomial logistic regression are shown in Table 8. The results indicated that there were significant differences among the three groups in terms of travel information sources and income factors with a Chi-Square value at 52.17 ($p < 0.05$) for the overall model estimation.

Odds ratios involve “comparing the odds of a pair of outcomes on one variable, for a pair of categories of a second variable” (Halpin, 2003b). The results indicated that compared to the variety-seeking and purpose and cost and benefit groups, visitors in the unconcerned group were less likely to use travel agents or tour operators, less likely to ask friends or relatives, but more likely to search for information from books or guidebooks. In fact, the odds of the unconcerned group visitors using books/guidebooks were 1.58 times higher when compared to variety-seeking group, and 1.3 times higher when compared to the cost and benefit group. Those who were in the unconcerned group also earned higher incomes when compared to the variety-seeking and purpose group. The findings indicated that the odds of visitors in the unconcerned group earning higher incomes were 1.04 times higher when compared to those who were in the variety-seeking and purpose group.

Table 8
Results of Multi-Nominal Logistic Regression

Predictors	I-Reference Group Variety Seeking and Purpose Group		II-Reference Group Cost and Benefit Group	
	Cost and Benefit Group	Unconcerned Group	Unconcerned Group	Variety Seeking and Purpose Oriented Group
<i>Travel information sources</i>				
Travel agents/tour operators	0.93	0.63**	0.67**	1.07
Travel Website	0.92	0.97	1.05	1.08
TV travel show/advertisement	1.51	0.94	0.63	0.66
Friends or relatives	1.05	0.50***	0.48***	0.95
Hotels	1.28	1.25	0.98	0.78
Magazines	0.97	0.78	0.80	1.03
Books/Guidebooks	1.21	1.58**	1.30**	0.83
Airlines	0.60**	0.63*	1.05*	1.67**
Movies	0.47	0.26*	0.54*	2.11
Destination Website	0.97	1.17	1.21	1.03
<i>Socio-demographic</i>				
Age	1.03	1.06	1.03	0.97
Education	1.00	0.93	0.93	1.00
Income	1.02	1.04**	1.02	0.98
Gender	0.87	1.21	1.05	0.87
LR Chi Square	52.17*			
Log Likelihood	1570.93			
N	1,674			

* < 0.10; ** p < 0.05; ***p < 0.01

The odds of visitors in the variety-seeking group using airlines as information sources were 1.67 times higher when compared to those who were in the cost and benefit group. When comparing the cost and benefit group with the unconcerned group, the unconcerned group were 1.05 times more likely to use airlines as information sources.

CONCLUSION AND IMPLICATION

This study distinguished multi-destination travelers into the cost and benefit, variety-seeking and purpose, and unconcerned groups. An in-depth analysis of the behavioral characteristics of these multi-destination travelers revealed that each of the three groups was unique. The three clusters were different in terms of their attitudes towards the infrastructure of Asia, personality, and motivations for long-haul vacation travel. This research extends the body of knowledge on multi-destination travel behavior. The typology of the multi-

destination travelers in this study therefore can help destination marketers, tour operators and travel agents in targeting different types of multi-destination travelers.

For destination marketers, the cost and benefit group is one of the main potential visitor markets. Visitors who belong to this group tend to visit multiple destinations and pay attention to the costs and benefits. Multi-destination travel can enhance the market potential and success of two or more destinations (Lue, 1992). Multi-destination travel has an added value dimension, since people not only include the primary destination, but also visit nearby destinations. Since China is a large country, cities that are close to each other can work together to attract these types of visitors. Gunn (1988) indicated that when destinations are close to each other, they might have the characteristics of the base camp and regional tour patterns.

In this context, marketers in Macao, Hong Kong, and the Pearl River Delta can collaborate and promote their destinations as one brand. They could promote the Pearl River Delta brand by emphasizing the advantage of paying one price but having three very different experiences on a single trip. Macao tends to give people a feeling of Europe, Hong Kong is more of a shopping paradise, and the cities in Pearl River Delta are more culturally oriented. For one charge, visitors will gain the benefits of experiencing the different environments and cultures in the three destinations. Also, since these visitors are more likely to use travel agents or tour operators, destination marketers can first promote the brand in these travel trade channels. When travel agents receive good feedback from clients on the Pearl River Delta combined destination, they will recommend the trip to other potential visitors.

The unconcerned multi-destination travelers tended not to be influenced by the benefits gained from traveling to multiple destinations. They were the least influenced by recommendations from friends or family and less likely to use travel agents or tour operators. They also tended to be less likely to use airlines as information sources. However, among all those who traveled with coworkers or colleagues, they had the highest percentages when compared to other groups. They were also more likely to use books or guidebooks when compared to other two groups. When targeting this group of multi-destination visitors, destination marketers should put more emphasis in advertising in printed media such as books or guidebooks that introduce the destinations.

The variety-seeking and purpose group tended to be more purpose-oriented. They seek variety on their trips or visit friends or family by going to multiple destinations. This group has more positive attitudes towards Asian destinations. However, they have a higher preference to travel to familiar destinations. This is an interesting finding because one might think that people who pursue variety-seeking behavior tend to be more adventurous, and might avoid familiar destinations. Although this group prefers seeking variety by traveling to multiple destinations, they also value some level of familiarity with the destinations. This may imply that they do not want to travel to destinations that too adventurous and unfamiliar. The variety-seeking and purpose group has some of characteristics that Cohen (1972) described as “explorers” in his study. According to him, these travelers prefer some adventure but still look for comfortable accommodations and reliable means of transportation. They are willing to leave the “environment bubble” but will carefully choose the destination. They do not want to travel to destinations that are too rough. These tourists try to associate with people in the destination, but still will not wholly immerse themselves in the host society.

The visitors who belong to this group seek for relaxation when traveling long haul on vacation, as well as looking for social interaction and prestige. When designing tour packages for this group, the itineraries should not be too adventurous, but should include some level of variety. The tours or packages should not be too restrictive because this group of visitors also seeks relaxation. In addition, these multi-destination travelers are more likely to seek recommendations from friends or relatives. Destination marketers can advertise the destination regularly so that these multi-destination travelers develop a familiar feeling for the destinations, and therefore consider traveling to the destinations. Woodside & Lysonski (1989) indicated that destination awareness is likely to be raised, when an individual transfers the image of a service or a destination from long-term memory to working memory. By repeated advertising to these visitors, the images of the destinations might be transferred to their working memories and therefore they may have a higher probability of visiting the destinations.

LIMITATIONS

This study had several limitations that need to be addressed. First, some of the dimensions in some factors were dropped due to low reliability coefficients. Improvement might be made by introducing more items. The data used in this study were collected in Macao and Hong Kong, but not in Mainland China. Therefore, there may be a potential bias towards Macao and Hong Kong. Future studies can improve the accuracy of the data collection by expanding the interview locations to China. Future studies could duplicate this study's methodology in other destinations to reconfirm the findings.

Also, future studies can be conducted to compare if there are any differences in terms of behavioral characteristics when destinations are defined differently such as countries or regions. Despite the limitations, this study acknowledges the existence and the importance of multi-destination travelers. The study indicated that benefit segmentation could be a valid approach for multi-destination travelers.

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DESTINATION IMAGE AND VISITATION: A STUDY OF STUDY ABROAD STUDENTS TO SPAIN

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ABSTRACT

Researchers have discussed destination image broadly in tourism and believe that an individual's destination image plays a crucial role in destination selection and positioning (Baloglu & McCleary, 1999; Beerli & Martin, 2004; Gartner, 1989). The significance of destination image is its role in tourists' decision-making process; it contributes to understanding tourist behavior and may help to increase the number of tourist visitations (Baloglu & McCleary, 1999; Beerli & Martin, 2004; Lewis & Chambers, 1989). Acknowledging destination image and its formation can help authorities to develop a suitable image as a unique brand and find effective communication ways in the competitive tourism market.

Although potential economic benefits encourage destination image study, the definition of destination image is various and its formation is still blurred. In addition, some researchers criticize the emerging destination image studies for insufficient theoretical support and lack of a solid conceptualization of the term (Baloglu & McCleary, 1999; Beerli & Martin, 2004). This limitation and tourism's complex nature become obstacles to developing a widely acceptable scale to examine the individual's destination image and to understand what influences its formation.

Previous studies indicate that destination image formation builds up in a continuance during the decision-making process and is influenced by actual visitations (Gartner, 1989). This study is (a) to explore what destination image American college students have of Spain pre- and post-visit; and (b) to understand how they develop these images and where these images come from. The purposes of this research are to gain an overview of image formation in the complete purchasing process and as a preliminary study to examine individual's image and to investigate the influencing factors to develop a larger-scale study in the future. The eventual purpose of this is to find out what may be an effective way to sell images to customers in a practical tourism market.

A qualitative approach is adopted in this study in order to gain more insightful information from the study subjects. A two-stage process, incorporating pre- and post-visit semi-structured interviews, was conducted during the period of May and September in 2005. The qualitative method approach allows researchers to have a better sense of the participants' feelings, attitudes, and perspectives. The recruiting pool of this study is a summer program in the Study Abroad Program (SAP) at the University of Illinois at Urbana-Champaign. The reasons for choosing a summer program in the SAP are (a) to meet the purposes of this study by recruiting participants from a group of people who would participate in a tour or a program at least 48 hours' travel away from their homes; (b) the convenience and cost effectiveness of recruiting participants and gathering data; and (c) samples have similar social background. I chose the summer program to Spain as my sampling pool because it is the biggest summer group in the SAP to increase chance in recruiting more people.

The recruiting letter sent out three times via email during April and May in 2005. Among 60 students in the summer program to Bilbao and to Granada, nine college students responded and participated in this study voluntarily. Three of them participated in the five-week Bilbao program, and six of them joined the seven-week Granada program. The participants of this study were either sophomores or juniors during the first interview. Six are female and three are male college students. Interviews were audio-taped and lasted about 50 minutes each. A series of general questions regarding their knowledge and perception about the culture, geography, and people of Spain were also asked.

Baloglu and McCleary (1999) present an image formation model which break image into two factors: stimulus and personal factors. This study adopted their model as a coding guideline to analyze the data and explore how the image formation develops before and after visitation. Transcribing began after each stage interview completed. A cross-transcription was performed to increase the internal validity of the study. Member checks were also used to ensure the work's credibility by providing the transcription to interviewees to ask for their feedback. To reduce biases occurring during interpretation and interviewer, the inter-observer agreement was used and the researcher role was set up as an outsider that only has superficial knowledge about Spain.

Understanding destination image can help authorities to develop an effective marketing strategy. In the competitive tourism market, a distinguished image is equal to a unique brand. This study is in the first stage of data analyzing. Differing from most of the previous studies, this study used the qualitative approach with pre-and post-interviews. The goal of this research is not to generalize the findings to the population's destination image about Spain. Yet, it is to provide an insight into the destination image formation, its components, and its influence factors in the participants' view. The findings can serve as a basis to design a scale in the future study.

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DESTINATION BRANDING THROUGH EXPERIENCE MARKETING A CONCEPTUAL MODEL FOR RURAL TOURISM

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ABSTRACT

This study proposes a conceptual model of destination branding through experience marketing for rural tourism. The model integrates the existing concepts of experience marketing and destination branding. The empirical test of the model indicates that destination awareness, image and loyalty are highly related in the tourist experience process that includes the three stages of pre-experience, participation experience, and post-experience. The results suggest that destination marketing organizations (DMOs) in rural communities do not need to depend on mass marketing and rely on the traditional distribution methods to reach and capture tourists. Instead, they can develop an effective experience marketing cycle to establish a strong and unique destination brand. Rural DMOs with budgetary limitations but a focused target or niche market can especially benefit from branding their destination via effective use of the experience marketing cycle.

KEYWORDS: experience marketing, destination branding, rural tourism.

INTRODUCTION

When the economy shifted from the manufacturing sector to the service sector, experience (experiential) marketing became the next natural progression for industry (O'Sullivan & Spangler, 1998; Pine & Gilmore, 1999; Schmitt, 1999). While the concept of experience marketing has been examined and applied elsewhere, very little work on the subject is available in the tourism literature, although tourism has long been studied from a sociological prospective based on the tourist experience. As the visitor is becoming more independent, involved and discriminatory in the tour planning process, destination marketing organizations (DMOs) need to focus on connecting experience with the customer, rather than promoting the place (King, 2002). Experience marketing could be a powerful weapon for contemporary DMO marketers constrained by budgetary limitations and ineffective distribution networks. This is especially critical for small rural destinations that can't afford communicating through mass media or traditional distribution channels to reach target markets. As service-based marketing offerings become increasingly commoditized (Berry, 2000), the battle for tourists in tomorrow's destination marketplace will be fought in the territory of brands with an effort to build an experience cycle process in the mind of consumers.

The intent of this paper is to deconstruct the prevailing conceptualization of stages of experiences marketing into a set of destination branding concepts to identify the relationship between these branding concepts, and to portray a clear picture of the tourist experience cycle. The importance of this study lies not only in its contribution to the studies of experiences marketing and destination branding, but also in its implications for the practitioners of rural tourism.

LITERATURE REVIEW

Experience Marketing

In the landmark book titled "Future Shock" published in 1970, Alvin Toffler predicted that in the following three decades, we were going to experience psychological meltdown because so many things would change so fast in too short a time. Changes have indeed taken place at a speed that is perhaps even faster than Toffler's predication. The meltdown did not occur but the changes have revolutionized our life dramatically. These changes make consumers more closely involved in the production of goods and services that they themselves consume. The concept of experience marketing has evolved, along with an increased recognition that attitudes formed from direct behavior or experience are more accessible than attitudes based on information or indirect forms of behavior (Fazio & Zanna, 1981).

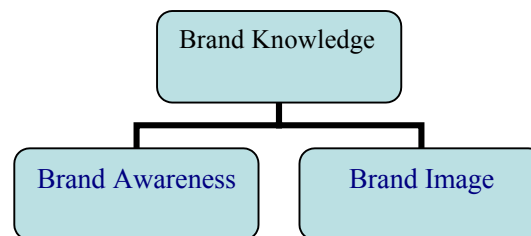
Experiences are the natural progression that follows after commodities, goods, and services. It is the next step in what is called the progression of economic value. Pine and Gilmore (1997, 1998, 1999) describe this economic progress from mass production of commodities into service. This service stage has become so rooted and prevalent that in many instances the services have become commoditized. Many companies are moving beyond services into experiences in order to differentiate themselves. They believe that experiences are a distinctly different offering from services. The idea of experience or experiential marketing was extended from previous service marketing models as described in the goods-service-experience continuum (Lovelock, 1991). The continuum defines relatively pure goods, good/service hybrids, relatively pure services, service/experience hybrids, and finally relatively pure experiences. O'Sullivan and Spangler (1998) argued that the continuum should be prolonged to further distinguish experiences from services. Experience marketing goes distinctly beyond service marketing as the next natural progression in the new millennium. In some cases, experience marketing is used interchangeably with experiential marketing. Schmit (1999) uses the term Experiential Marketing, in his book of the same title, which presents a battery of business cases on how cutting-edge companies use "experience providers" to create different types of customer experiences.

Differing from commoditized services, experiences must provide a memorable offering that will remain with one for a long time. The consumer must be drawn into the offering such that they feel a sensation. To feel the sensation, the consumer must actively participate. It leads to the core concept of experience marketing, creating personalized experience through customer self-involvement and active participation. This process does not come neatly compartmentalized in separate and distinct steps; rather they can be best represented in a series of three overlapping stages. O'Sullivan and Spangler (1998) defined these three stages as pre-experience, participation, and post-experience.

Destination Branding

In defining the brand, Aaker (1991) asserts that its primary role is to “identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors.” Keller (1993, 1998) defines the concept of brand knowledge as consisting of a brand node in memory to which a variety of associations are linked. In his concept, brand knowledge is composed of brand awareness and brand image (Figure 1). Brand awareness is “related to the strength of the resulting brand node or trace in memory, as reflected by consumers’ ability to identify the brand under different conditions.” Creating brand awareness “involves giving the product an identity by linking brand elements to a product category and associated purchase and consumption or usage situation.” Brand image is related to types, favorability, strength, and uniqueness of brand associations. Aaker and Joachimsthaler (2000) argue that the value of a brand is derived from four main factors: brand awareness, perceived quality of the brand, brand associations and brand loyalty.

Figure 1
Keller's Brand Knowledge Model



In relation to destination branding discussion, destination image was the most relevant topic in the tourism literature of the past two decades. Several definitions of destination images have been offered (e.g., Baloglu & Mangaloglu, 2001; Coshall, 2000; Echtner & Ritchie, 1993; Gartner, 1983, 1993; Gunn, 1997; Gallarza & Saura et al., 2002; Klenosky, 2002). The most frequently cited definition is by Crompton (1979), “destination image may be defined as the sum of beliefs, ideas and impressions that a person has of a destination” (Gallarza, Saura et al. 2002). Thus a destination image is the tourist’s total impression that is formed as a result of the evaluation of various destination elements’ and attributes whereby differences in meaning, number, and importance of dimensions may occur (Mackay & Fesenmaier, 1997). The destination image building process involves the consumption process and builds the image into the tourist’s mind through the tourist’s participation. The tourist assesses the value of the tours, programs and all activities that he or she has experienced, develops the personal integrated opinion of the destination’s elements and attributes, and then forms the total impression of the destination.

Before the tourist arrives at the destination and starts the evaluation process, tourists are made aware of available destinations and their perceived quality and value through active search for, or passive exposure to the information presented by destinations. The information assists the tourist in destination choice decision-making and itineraries planning for the trip. There has been anecdotal evidence that the traditional distribution channels are increasingly being bypassed, tourists are becoming more involved and discriminatory in the itinerary planning process (King, 2002). They will recognize the needs, search the alternatives and prepare for the tour by themselves. These three phases are incorporated in the pre-experience stage (O'Sullivan & Spangler, 1998). Destination awareness and the perceived quality of

destination could be the most important factors during this stage when tourists prepare their itineraries.

“Destination loyalty places the emphasis on a longitudinal perspective, looking at lifelong visitation behavior of tourists rather than just at a cross-sectional perspective in which today’s visitation is completely unrelated to previous visitation or, in a more general perspective, to previous experience (Oppermann, 2000).” Destination loyalty, unlike destination awareness, is seen in a behavioral view and through such behaviors as repeat visitation and recommendation to other friends or families. These are the typical behaviors in the post-experience stage (O’Sullivan & Spangler, 1998).

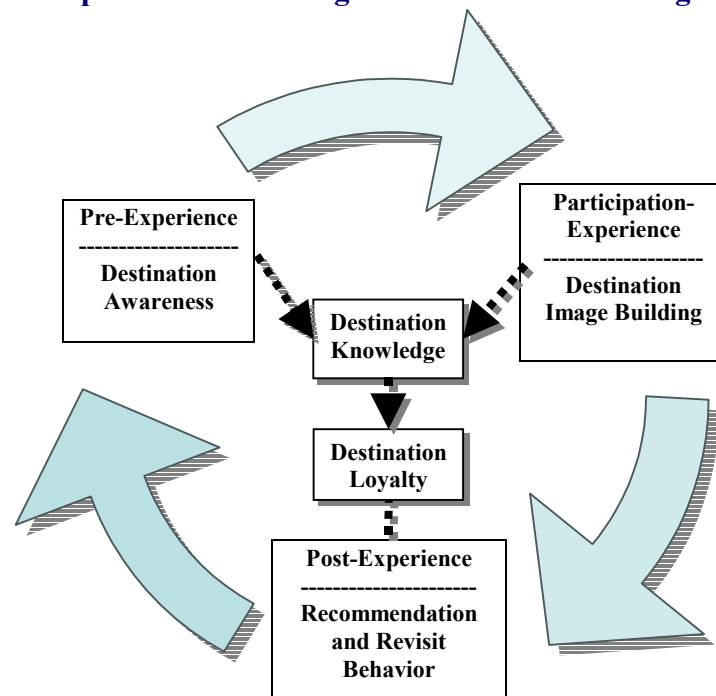
Based on the writings by Blain, Levy and Ritchie (2005), Cai (2002), and Ritchie and Ritchie (1998), destination branding can be defined as all of the marketing activities that: 1) create *awareness* by identifying and differentiating a destination; 2) build destination *image* by conveying the promise of a memorable travel experience that is uniquely associated with the destination; and 3) generates *loyalty* by consolidating and reinforcing the recollection of pleasurable memories of the destination experience. To be effective, these activities must penetrate and prevail through the whole tourist experience, including pre-experience, participation, and post-experience. Tourists will enter the pre-experience stage for a new or renewed destination experience based on destination loyalty, which is represented by retention and recommendation behaviors from previous experiences. It makes the experience marketing cycle complete.

CONCEPTUAL MODEL

The conceptual model of this study was developed by overlaying the three stages of experience marketing (pre-experience, participation-active experience, and post-experience) (O’Sullivan & Spangler, 1998) over the concepts of destination knowledge (inclusive of awareness and image) and destination loyalty (Keller, 1993; Oppermann, 2000).

In the proposed model, destination branding works at three different levels: the pre-experience, the participation-experience and the post-experience. “It’s about setting visitors’ expectations of what the destination should be, their actual experience of the destination once they are there, and how they feel when they leave the destination (Swart, 2005).” Further post-experience actions may include recommending destination to others or revisit behavior. Experience marketing imbues a brand with emotion and makes it resonate with the customer (Stenhouse, 2002).

Figure 2
Experience Marketing In Destination Branding



Destination knowledge comes from two sources (Keller, 1998): destination awareness and destination image. In experience marketing terms, destination awareness is in the pre-experience stage, which refers to anything and everything involved prior to the actual participation in the experience itself. Destination image-building influences the second stage of the actual participation in the experience. This direct participation-experience in turn affects the degrees of favorability, strength and uniqueness of destination image. Consequently, in the third stage of post-experience, tourists may bring home with a variety of options, such as recommendation and repeat visitation, which represents high destination loyalty (Oppermann, 2000). Furthermore, this repeat visitation builds up the recursive experience marketing process and enhances the destination brand knowledge on the part of the tourists through higher level of awareness and positive perception of the destination.

EMPIRICAL TEST

To empirically test the conceptual model, the study used the data drawn from a visitor survey conducted for a county-level convention and visitor bureau in a rural area of the Midwest USA. Over the years, the destination marketing organization (DMO) has been promoting the area as “The Hub of Transportation Heritage!” Some permanent museums and attractions have been built to host car-related festival and exhibit transportation artifacts all year-round. Jago and colleagues (2003) suggest that festivals and events have become an increasingly significant component of destination branding. This has been the case for this particular rural destination.

The sample includes 959 visitors interviewed at hotels, museums and attractions during four different seasons in 2003. The questionnaire was administered personally to the respondents who were selected at random. The data was analyzed with SPSS and LISREL software. First, the relationships between each pair of variables were examined as shown in

the model. Chi-square, analysis of variance, and Pearson coefficient were used. All the relationships were significant ($p < 0.01$). However, as some authors point out (Hair, Anderson et al., 1998), structural equation modeling (SEM) is the preferred mode of analysis, providing strong tests. Therefore, SEM was employed in this study to further test the model. SEM is used to “explain the pattern of series of inter-related dependence relationships simultaneously between a set of latent (unobserved) constructs, each measured by one or more manifest (observed) variables” (Reisinger & Turner, 1999). SEM can be used to estimate variance and covariance, test hypotheses, conventional linear regression, and factor analysis (Reisinger & Turner, 1999). However, SEM must be directed by theory that is critical for model development and modification. Model fit determines the degree to which the SEM fits the sample size (Schumacker & Lomax, 1996).

The X-model path analysis of SEM was applied to represent the proposed recursive relationship. There are three latent variables from the analysis. They are Destination Awareness in pre-experience stage, Destination Image in participation stage, and Destination Loyalty in the post-experience stage.

There are two direct variables of Awareness, AW1 and AW2. AW1 is derived from the questions “did you visited (attraction *i*) on a previous trip”, “have you visited (attraction *i*) on this trip,” “will you visited (attraction *i*) on this trip”, and “aware, but never visit (attraction *i*)”. AW2 is from the rating of the statement (S16), “Information about the county’s tourism is readily available”.

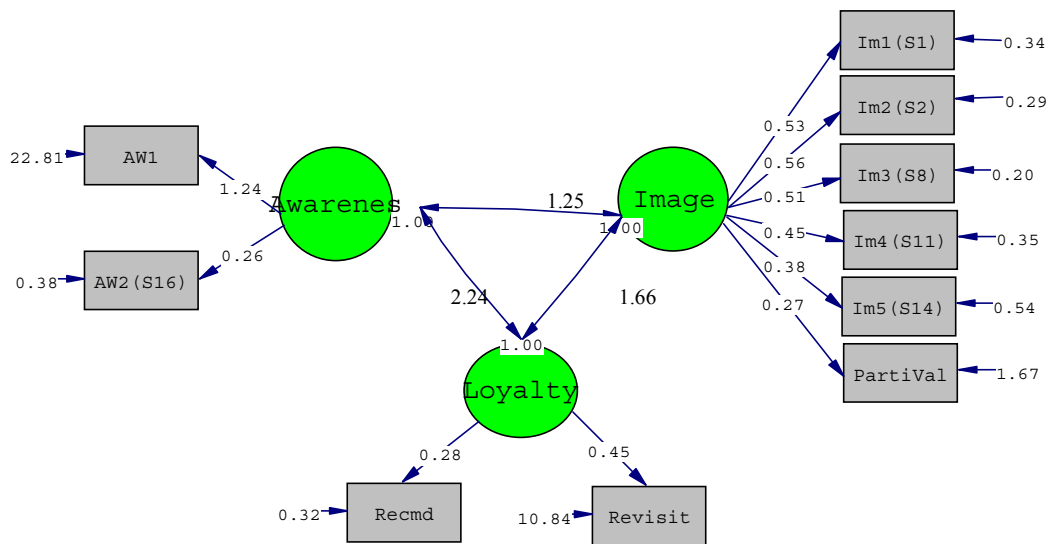
The strength, favorability and uniqueness of the Destination Image were measured through: 1) a combination of statements about the overall image of the destination using a five-point Likert scale. Examples of the image statements include: “... is rich in transportation heritage (S1)”, “... is known for automotive and car-related shows and festivals (S2)”, “... is my type of destination (S4)”, “...is one of my favorite places (S8)”, “...has several unique attractions for visitors (S11)”; and 2) (PartiVal) ratings of specific attractions or festivals/events using a ten-point Likert scale. Respondents only rated those attractions, events or activities that they had visited or participated in. Destination Loyalty was measured by the number of visits and the intention to recommend.

The SEM procedure resulted in the model as shown in Figure 3. The overall model fit was satisfactory with chi-square = 293.99, $df = 32$, p -value = 0.000. According to Jöreskog and Sörborn (1999), model fit indexes that are commonly used include chi-square, goodness of fit index (GFI), and adjusted goodness-of-fit (AGFI) (Schumacker & Lomax, 1996). Chi-square value is relative to the degrees of freedom and indicates that the observed and estimated matrices differ. A chi-square value which is statistically significant indicates the probability that this difference is due to sampling variation. However, chi-square analysis is sensitive to sample size, because as sample size increases, the chi-square test has a tendency to indicate a significant probability level (Schumacker & Lomax, 1996). Other indexes such as GFI, AGFI or root mean square error of approximation values (RMSEA) can help to evaluate the fit of the model. RMSEA with a value equal or smaller than 0.05 indicates a good model fit.

The model statistics indicate that the three latent variables are closely related with each other. All the t -values are greater than 1.96, which means that all estimated relationships, between latent variables and direct variables, as well as each pair of latent variables, Awareness, Image and Loyalty, are significant at $p < 0.05$. The RMSEA of 0.092,

however, is greater than 0.05. The 90 percent confidence interval for RMSEA is (0.083; 0.10), and p-value for test of close fit ($RMSEA < 0.05$) is 0.00. While the statistics of fit have room for improvement, they do suggest that there is some validity in the proposed model.

Figure 3
The Model



Chi-Square=293.99, df=32, P-value=0.00000, RMSEA=0.092

This path analysis indicates that destination awareness, image and loyalty are highly related in the tourist experience process. In this case, the transportation-related brand concept for this county can be communicated through the three stages of experience marketing. The good destination awareness communication gets the tourist's attention in the stage of pre-experience. This comes from experience of tourist's information search or exposure, previous trips, or recommendation from families or friends. As such, brand loyalty helps to develop more frequent visitors and new tourists. Destination image-building process in the stage of participation-experience makes all resonate from the tourist's pre-experience, which in turn influences the post-experience behaviors. This recursive process brings more target customers into the destinations by taking advantage of the communications through tourists themselves. Other contemporary communication tools, such as websites, information pushing system, online multimedia, can assist DMOs to provide the necessary and focused information for tourists so as to enhance each of the three stages of experience.

In the empirical model, the relationships among destination awareness, destination image and destination loyalty are significantly established. They reinforce each other through the three different stages of the tourist's experience in branding the destination.

CONCLUSION

This study proposed a conceptual model through the integration of the concepts of experiences marketing and destination branding. The model was empirically tested in a rural tourism setting. The test found the close relationships among destination awareness, destination image, and destination loyalty through the three stages of tourist experiences.

These stages form a completed experience marketing cycle that involves visitors in the consumption process. The findings of this study should reassure those rural DMOs with budgetary limitations that they don't need to depend on the mass communication or the traditional distribution channel to build a destination brand and attract tourists. They can be more effective and efficient by devoting limited resources to improving the strength, favorability, and uniqueness of the destination brand through the experience marketing process targeted at their desire segments or niches. In the different stages of experience marketing, rural DMOs can focus on the different part of the destination branding by allocating appropriate resources and applying corresponding marketing techniques, such as online tourist advisory board, customized information delivery, brand managers in some key brand-related attractions, customer relationship tracking system.

The empirical model was based on the data derived from general visitor survey. Some factors could be missed in the model analysis. For instance, the perceived quality and value of the destination could be another important factor in the pre-experience stage of the branding process. Additional variables of image building process in the participation-experience stage would have been desirable. Other tourist behaviors in the post-experience stage, such as alternative research, would affect the competitive environment or create some co-branding opportunities with vertical or horizontal partners. Future studies should take these limitations into consideration either to test or improve the conceptual model as proposed in this study.

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EXPLORING THE RELATIONSHIP BETWEEN CULTURAL TOURISM AND QUALITY OF LIFE

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ABSTRACT

Indianapolis has been the focus of considerable public investment and public policy attention during the past several years. A city-wide cultural tourism initiative in 2002 set sights on positioning Indianapolis as a cultural tourism destination. The initiative's two objectives were to improve the quality of life for Indianapolis residents, and enhance visitors' experience by capitalizing on the city's cultural amenities and attributes. The goal of this study was to address the first objective, that is, to establish a baseline index that corresponds to the Indianapolis residents' view of their quality of life using a three-dimensional model developed by Raphael, Steinmetz, and Renwick (1998). The study also attempted to determine if there was a relationship between the level of awareness by residents of the city's cultural tourism initiative and their quality of life ratings.

KEYWORDS: cultural tourism, Quality of life, Indianapolis

INTRODUCTION

Many cities increasingly see cultural tourism as a driver of future economic growth. However, the full picture of the impact of cultural tourism upon urban environments is not well understood. Cultural tourism defined by the Indianapolis Cultural Development Commission is "experiencing the diverse mosaic of places, traditions, arts, celebrations and experiences that the Indianapolis area offers to residents and visitors. It is an important component of an overall tourism plan that emphasizes the total Indianapolis experience." Furthermore, the commission states, "In addition to all the growth and expansion Indy is experiencing and will continue to experience, there is even more to celebrate. A powerful sports schedule, exciting national conventions, landmark anniversaries, and new summer celebrations will together tell the Indianapolis story. It's a chance for the city to be recognized for the cultural destination that it is" (Indianapolis Cultural Development Commission, 2004).

The quality of life of an urban population is an important concern in achieving economic prosperity through tourism development. There are many components involved in measuring a city's quality of life. A large part is the standard of living and the amount of money and access to goods and services that a population has. These statistics are easily measured. Other statistics that attempt to measure alternative dimensions of urban living, such as mental and physical happiness, culture, and environmental health and safety, are far more difficult to measure. This has created an inevitable imbalance as programs and policies

are created to fit the easily available economic numbers while ignoring the other measures which are much more difficult to plan for.

In 2002, Indianapolis embarked on a cultural tourism initiative whose main goal was to improve the quality of life of its residents. The purpose of this study was to evaluate non-economic measures for the city of Indianapolis before full implementation of the initiative, and to act as a springboard for future studies to measure the impact of the initiative on the city's quality of life.

A quality of life study was conducted to analyze three dimensions and determine whether or not a relationship between quality of life and cultural tourism awareness exists. Using a model developed by Raphael, Steinmetz, and Renwick (1998), questionnaire items were aggregated into three general dimensions: "being" (physical characteristics), "belonging" (environmental characteristics), and "becoming" (emotional, mental and spiritual characteristics). A quality of life score for each dimension was also calculated.

The study addressed the following three hypotheses:

- Residents' perceptions of their "being" significantly correlate with their understanding of cultural tourism in Indianapolis.
- Residents' perceptions of their "belonging" significantly correlate with their understanding of cultural tourism in Indianapolis.
- Residents' perceptions of their "becoming" significantly correlate with their understanding of cultural tourism in Indianapolis.

LITERATURE REVIEW

Cultural tourism is growing with the changing travel trends and tourist demographics. Tourists are currently taking shorter vacations, mainly in urban destinations, and a more sophisticated and educated tourist is emerging. According to Cabrini (2003) Europe continues to attract increasing numbers of tourists to its cultural locations. The European Commission reported 20% of European tourists are responding to cultural motivations, while 60% of European tourists are interested in cultural discovery during their stay. As tourism popularity and international travel continues to increase, cultural tourism interest will additionally see a substantial increase (Cabrini, 2003). Additionally, interest in cultural tourism peaks for individuals between the ages 45 and 65. As the population life expectancy continues to rise, so will the interest in cultural tourism (Cameron, 1993).

Attitudes toward tourism may be directly related to how residents feel about their community and surrounding region (Jurowski & Brown, 2001). Residents' support for tourism development and the likelihood of recommending their region and supporting tourism funding is based on perceived image (Schroeder, 1996). There are two types of destination image: (a) organic, derived from non-tourism sources, and (b) induced, developed through promotional, advertising and publicity campaigns (Chen & Hsu, 2002). Jurowski et al. (1997) noted internal marketing campaigns are imperative to explain the social benefits of tourism to residents looking to reduce opposition and form a favorable destination image. Destinations must establish the right balance between community needs and interests, while promoting compatible community objectives, symbolic of the values of the residents (Cabrini, 2003; Cameron, 1993).

Quality of life can mean many things to different people. Some would argue that in order for a community to enjoy a good quality of life, residents should feel safe from crime,

live in affordable and high quality housing, and should have access to education and employment. Indeed, these are basic expectations for a livable community. They go beyond economic status, age, race, household composition, or any other demographic symbol.

There are, however, other more subjective ideas of what makes a city an enjoyable place to live. These ideas often revolve around the character of a city. Increasingly cities and regions throughout the developed world are developing locally based measures to assess quality of life. For example, a volunteer civic project called “Sustainable Seattle” introduced the concept of sustainability indicators for a metropolitan region with a pioneering report in 1993. They were inspired by Jacksonville, Florida’s “Quality of Life” measures and the State of Oregon’s growth-oriented “Benchmarks.” The volunteers of Sustainable Seattle were seeking to do something different: measure progress towards true sustainability, or “long-term cultural, economic, and environmental health and vitality.”

Such studies have assessed over 200 indicators of quality of life. They have looked at quality of life at the neighborhood, city, county and metropolitan level. Some have collected unique measures of quality of life, reflective of local environmental, social and economic conditions. Most communities have, however, relied on data from the U.S. Census. The concept of “quality of life” as a multi-faceted concept seeks to include a wide variety of critical affecter variables within a unified framework. In this case, the Indianapolis quality of life research methodology defines quality of life as a nexus where physical, environmental, mental, spiritual and emotional characteristics are all considered.

Wennergren and Fullerton (1972) use three indices to measure a community’s quality of life: economic, social, and environmental. The geometric mean of the three indices, weighted by the population of the community, is used as an overall measure of community well-being. A series of studies have addressed issues related to the ability of travel and tourism to both enhance and diminish the QOL of local residents in the host community (Cohen 1978; Linton 1987; Williams & Shaw 1988; Jurowski et al., 1997; Perdue et al., 1999). Few studies have also addressed the effect tourism has on improving the overall life satisfaction of the traveler. To date, little is known about the impacts of tourism on the perceived host community well-being.

Anderson and Nurick (2002) consider that the conventional economic appraisal of cultural projects only focuses on the ‘measurement of the measurable’, such as visitors attracted, jobs created and income generated. However, the authors argue that an economic appraisal does not reflect ‘immeasurable’ effects on the places and regions in which cultural projects are located. The challenge lies in how to measure the changed image and aspirations of a location and the quality of life of its residents due to cultural impact. Their findings indicate increasing evidence that quality of life is becoming an important factor in relocation-related decisions for both skilled workers and business investors. The study further illustrates that cultural projects can greatly strengthen a city’s ‘brand’ or image and cause it to be perceived more favorably.

Kim (2002) investigated how tourism development influences the quality of life of residents in different stages of development. Overall satisfaction with life was used as the measurement for quality of life. The results show that tourism development did affect people’s overall life satisfaction. During the initial stage of tourism development, residents may feel stress caused by change, and demand for more public services and infrastructure.

People's life satisfaction is higher during the maturity stage of tourism development. When tourism development enters its declining stage, quality of life may also start to decline.

METHODOLOGY

The following two objectives were established to address the purpose of the study: (1) design a 35-question survey to be administered to Indianapolis residents, and (2) utilize a number of statistical techniques, including central tendency measures, t-tests, and correlation analysis to produce a quality of life index score for each dimension.

Instrument Design

Stanley (1979) found that researchers cannot measure everything and must therefore limit their choices in selecting their instrument indicators using three criteria: a) the objectives of interpretation, b) the theoretical values used for the study, and c) the social and economic priorities of the geographic region under investigation at any given time. From this criteria, he deduced a few general practices that could guide the choice of selecting such indicators: a) empiricism and previous experience, b) choosing an appropriate set of indicators that reflect a pre-approved interpretation or action plan, and c) compliance with a theoretical model.

André, Delisle, Revéret and Bitondo (1999) stated that quality of life indicators should also meet the following criteria: a) be representative of quality of life; b) be simple and easy to interpret and communicate; c) illustrate long-term trends; d) react to changes in dimensions affecting quality of life; e) suit the scale of the study; f) derive their real meaning from a comparison with defined targets or specific thresholds; g) receive theoretical recognition and comply with standards generally accepted by the experts; h) be readily available or involve low acquisition costs; i) be recognized for their quality and supported by sound documentation; and j) be periodically updated at spatial and temporal intervals, using measuring and sampling procedures suited to the scale of quality of life. Diener (1995) conducted an inventory of indicator selection practices for the quality of life index and found no standard way of choosing indicators for this index. As a rule, he concluded that indicators are chosen intuitively by the researcher.

For the purposes of this study, the researchers relied on an adaptation of a model developed by Raphael et al. (1998) to design, pilot-test and administer the questionnaire to Indianapolis residents. The original model used a health-based approach to assessing community quality of life and it was applied to Toronto, Vancouver and other North American cities. This community approach to quality of life was centered on people's perception of what would or would not make their lives satisfactory.

The study questionnaire assumed that certain community dimensions affect people's quality of life, and it drew attention to these. Quality of life was assessed on the basis of three major indicators:

- “being,” which reflects “who the individual is” and has physical components;
- “belonging,” which involves people's relationship with their environments; and
- “becoming,” which involves individual activities to achieve individual emotional, mental and spiritual goals, hopes and aspirations .

The research team attracted subjects through a random sampling technique. All research participants were volunteers, 18 years of age or older, and residents of Indianapolis. Four public, high-traffic areas were identified to collect data during a span of six weeks. The administration of the survey was carried out during all days of the week and in three daily shifts, mornings (8 am to Noon), afternoons (Noon to 4 pm) and evenings (4 pm to 8 pm). The team collected 760 useable surveys whose data was entered into SPSS for analysis.

RESULTS

Demographic Profile

As shown in Table 1, male and female respondents were almost equally distributed, with male respondents accounting for 53.2% of the total sample. In terms of age groups, the mode of age groups was the younger group (18-30 years old), occupying 40% of the total. The middle age groups of 31-43 and 44-56 years old occupied 25.9% and 25.2%, respectively. Fewer respondents came from the older age group of over 56 years old (8.2%). With respect to ethnicity, most respondents were white people (75.5%). The next largest ethnic group was black people (14.7%). Other ethnics included Hispanics (4.2%), Asian or Pacific Islander (1.2%) and other native Americans (2.5%).

Table 1
Respondents' Demographic Profile

		Frequency	Valid Percent (%)			Frequency	Valid Percent (%)
Gender	Male	402	53.2	Ethnicity	Hispanic	32	4.2
	Female	353	46.8		Black	111	14.7
Age	18-30	303	40.0		White	571	75.5
	31-43	196	25.9		Asian/pacific	14	1.9
	44-56	191	25.2		Native American	9	1.2
	Over 56	67	8.9		Other	19	2.5
Residency	< 1 year	45	6.4	Household Income	\$0-\$30,000	246	33.4
	< 2 years	43	6.1		\$30,001-\$60,000	246	33.4
	< 4 years	76	10.8		\$60,001-\$90,000	128	17.4
	< 10 years	111	15.8		\$90,001-\$120,000	77	10.5
	≥ 10 years	428	60.9		\$120,000-\$150,000	39	5.3

Most of the respondents have lived in Indianapolis for at least 2 years (87.5%). Among them, about 60.9% have lived here for 10 years or more. From Table 1, it can be seen that respondents were about equally distributed in terms of family income. For instance, 33.4% of the respondents had less than \$30,001 household income, another 33.4% had household income of \$30,0001- 60,000, and the other one-third with household income over \$60,000.

Table 2 summarizes the questionnaire items aggregated into the three general dimensions of quality of life: “being” (physical characteristics), “belonging” (environmental characteristics), and “becoming” (emotional, mental and spiritual characteristics) as well as the overall rankings from the question on cultural tourism. The lower the score, the more

favorable the response was. The mean and standard deviation of each item and an overall quality of life score for each dimension were also calculated.

The mean score of participants' understanding of cultural tourism is 2.24 on a five-point scale. This indicates that residents' of Indianapolis had fairly good understanding of cultural tourism. Mean scores of items that measure the first quality of life factor "being" ranged from 2.04 to 2.43, which showed that respondents seemed to have good overall health, lifestyle, and physical activity frequency. For the second quality of life factor "becoming," mean scores of the items ranged from 2.47 to 2.92. This revealed that participants felt quite happy, calm, and their stress level was moderate. Scores for the third quality of life factor "belonging" ranged from 1.57 to 3.20. The results show that respondents had a good sense of community and felt quite safe in the city. The two lowest scores suggested that participants were not very satisfied with the traffic conditions in the city.

Bivariate correlation analyses were performed to test the relationship between the three quality of life dimensions and understanding of cultural tourism. The results are presented in Table 3. All three dimensions were statistically significant as related to understanding of cultural tourism at the $p < 0.01$ level. Therefore, the three hypotheses were confirmed, that is, residents' perceptions of their "being", "belonging" and "becoming" significantly and positively correlate with their understanding of cultural tourism in Indianapolis.

The results indicate that people's understanding of the importance of cultural tourism development did play a positive role in affecting people's perception of their quality of life in the dimensions of "being", "belonging" and "becoming." In other words, people living in a city with a relatively well-informed and better development of cultural tourism may perceive its city's quality of life better than that of a city with a lower level of cultural tourism development. This finding is consistent with the results of previous studies (Kim, 2002) that observed that tourism development affected people's overall life satisfaction.

Table 2
Descriptive Statistics of Quality of Life Items

	Mean	Standard Deviation
I understand the concept of "Cultural Tourism."	2.24	.92
Quality of Life Factor 1: Being	2.27	.72
Overall health	2.04	.72
Lifestyle	2.37	.88
Physical activity frequency	2.43	1.25
Quality of Life Factor 2: Becoming	2.66	.62
Being happy	2.58	1.01
Being calm and peaceful	2.92	1.07
Stress level	2.69	.96
Have a friend to talk to	2.47	1.36
Quality of Life Factor 3: Belonging	2.49	.53
I feel a sense of community	2.74	1.12
I should feel a sense of community	2.40	1.05
Feeling safe in home during daytime	1.57	.80
Feeling safe in my neighborhood during daytime	1.68	.82
Feeling safe in downtown during daytime	1.96	.80
Feeling safe in my home after dark	1.92	.92
Feeling safe in my neighborhood after dark	2.24	1.05
Feeling safe in downtown Indianapolis after dark	2.70	1.02
Trash or litter lying about on the streets	2.70	1.04
Graffiti on walls, schools, shops etc.	2.51	1.01
Broken windows in shops, public buildings or other vandalism	2.36	1.00
Car theft, damage to cars or theft from cars	2.72	1.06
Dangerous driving including drunk driving, speeding	3.14	1.09
Risk from traffic for pedestrians or cyclists	2.91	1.07
People who you feel unsafe around because of this behavior, attitude or appearance	2.69	1.04
Air pollution	2.70	1.09
Noise pollution	2.62	1.01
Drab/needs sprucing up/better maintenance needed	2.58	.10
Empty buildings/closed shops	2.73	1.06
Old buildings pulled down/unattractive new buildings	2.52	1.02
Safety concerns/crime violence	2.88	1.03
Traffic problems/congestion	3.20	1.07
Loss of green areas/trees/need more trees/parks	2.83	1.13
Impact on Indianapolis from diversity of lifestyles and cultures	2.70	1.04

Table 3
Results of Bivariate Correlation Analyses of the Three
Quality of Life Dimensions and Understanding of Cultural Tourism

	Being	Becoming	Belonging
Pearson's correlation coefficient	.125**	.178**	.154**

** significant at .01 level

CONCLUSION

The results showed that a positive relationship exists between the three dimensions quality of life and understanding of the concept of cultural tourism. The finding of this study is of some practical significance to the city agencies in charge of the cultural tourism initiative. For instance, this study helps reinforce the assumption that development of cultural tourism is positively correlated with the residents' quality of life. The input of public services, infrastructures and financial support in developing cultural tourism will result in bringing more tourists to the city, and therefore should eventually enhance the residents' quality of life. Residents may feel stress caused by demand for more public services and infrastructure during the initial stage of cultural tourism development, but will experience a better quality of life especially during the maturity stage of tourism development (Kim, 2002). In actual marketing of cultural tourism, the government agencies may emphasize the positive relationship between quality of life and cultural tourism in thinking that the local residents are more likely to embrace and get involved in the initiative after realizing that this project can eventually enhance their quality of life in the areas of "being", "belonging" and "becoming."

This initial study acts as a springboard for future studies to measure the impact of the initiative on the city's quality of life. The study allowed the researchers to calculate scores for each of the three dimensions before the city's cultural tourism initiative had enough time to impact the overall quality of life. This study further indicates that quality of life is a foundation of the initiative of cultural tourism. Future examinations of the three dimensions will shed light as to the importance of cultural tourism in shaping a city's quality of life score.

Cities are responsible for supporting public and private efforts to create and maintain "livable" urban areas where people want to live, work, and enjoy their surroundings. Cities view cultural tourism as another tool in restoring and revitalizing economic development by serving as a focus for downtown and regional redevelopment and cultural renewal, in addition to creating vibrant public areas integrated with amenities that result in improved quality of life for residents and visitors alike. Cultural tourism, if properly planned, organized, and managed, can bring understanding, appreciation, prosperity, and better life to all who are involved. Successful cultural tourism is not simply a matter of having better transportation and hotels but of adding a particular local flavor in keeping with traditional way of life and projecting a favorable image of the benefits to tourists of such goods and services.

Preserving and promoting cultural resources and investing in communities' quality of life are among the reasons cities are becoming key players in supporting and leading cultural tourism initiatives. Successful cultural tourism projects depend on collaboration, assessment, research, marketing and resident/visitor service, as well as the development of successful strategies linking the cultural offerings and tourism in communities.

Inadequate recognition of potential conflicts between city-wide tourism projects and the conservation of cultural heritage can lead to poor planning and adverse impacts on the heritage and lifestyles of the city's residents. One such threat is that a lack of presentation and communication of the significance of a place to both tourists and residents can lead to a lack of understanding and appreciation for the culture of the community.

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DEVELOPING A RATING SYSTEM FOR THE THEME PARK INDUSTRY

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ABSTRACT

The study is a pioneering attempt to develop a comprehensive guest rating criteria for theme parks. Data was collected from 379 Central Florida residents, domestic, and international tourists who evaluated the level of importance of forty-one attributes when considering rating a theme park visit. Further reduction of the data using Factor Analysis revealed six constructs that should be considered when rating theme parks. These constructs were: (1) quality and variety of guest experiences, (2) availability and variety of family-oriented activities, (3) customer service, safety and security, (4) shopping activities, (5) pricing and value for money, and (6) availability and variety of activities for adults. Implications for decision makers and theme parks marketing executives are discussed.

KEYWORDS: Theme parks, Rating System, Marketing

INTRODUCTION

Since the development of mass tourism in the 1960s, a number of rating systems were developed for a variety of tourism and hospitality products. The rating systems were designed to assist consumers in making more informed decisions prior to purchasing a particular hospitality or tourism product.

The most common rating system developed in the field of tourism and hospitality industry was in the lodging segment. Lodging rating systems generally fall into two categories: (1) official classifications, usually established by government agencies such as national tourism offices or regional tourist boards and (2) independent hotel ratings systems developed and maintained by associations or commercial organizations like the American Automobile Association (Ingram, 1996).

Since 1962, the World Tourism Organization (WTO) sought to develop a universally accepted lodging rating system in an attempt to unify the one hundred or so classification systems that have been used for years by many destinations around the world. The Confederation of National Hotel and Restaurant Associations (HOTREC) of the European Union has devised an alternative system using symbols to represent facilities without classification, but the WTO model was generally accepted in most countries (Ingram, 1996).

Ratings of other tourism and travel services were also developed for other segments of the hospitality industry like restaurants, airlines and cruise lines. With the popularity of online travel shopping, Internet sites that evaluate online retailers have proliferated over the past few years, offering rating systems that use everything from stars to smiley faces to numerical scales. These Internet sites have evolved beyond simply rating the overall reliability of the merchants,

but also have become comprehensive comparison-shopping resources by posting direct consumer feedback (Pui-Wing Tam, 2002).

LITERATURE REVIEW

Very little information is available on the theoretical background of developing travel and hospitality rating systems. Some rating systems rely on previous research and methodologies pertaining to product image and customer satisfaction. A large proportion of image studies used structured attribute lists to measure the various components of a destination or a tourism product image. For example, Gartner (1993) measured the image of four destinations by asking respondents to rate a list of items using a Likert-type scale that ranged from one to five, and mean scores were used as inputs for multi-dimensional scaling.

Similar approach was used by Chaudhary (2000) who studied the image of India as a travel destination using a list of attributes developed from reports and articles about India in the media and from a small survey of tourists who had visited India. Other studies (Reilly, 1990) adopted a qualitative approach by employing an unstructured approach that used open-ended questions that allowed respondents to describe impressions of the product more freely.

Another theoretical approach to develop rating systems in the travel and hospitality industry is linked to consumer satisfaction, underlining customer comparison of costs and benefits of the purchase, relative to anticipated consequences (Ellis and Witt, 1994; Roest, Pieters, and Koelemeijer, 1997).

Whatever the rating attributes and scales are, researchers face a complexity and multi-dimensional consumer perception of quality when developing a rating system for any hospitality service. With the proliferation of rating reports in many segments of the hospitality industry, very few studies were conducted to develop a rating system in the theme park industry. Roest, Pieters, and Koelemeijer (1997) studied satisfaction with amusement parks by looking at the desired costs and benefits, actual costs and benefits, and customer satisfaction/dissatisfaction. While the study was a pioneering attempt to evaluate amusement facilities, it did not report the attributes and the sources that were used to selecting the specific attributes.

In a different study, Johns and Gyimothy (2002) studied how 35 customers perceived theme parks within the context of hedonic experience rather than simply a commercial service offering. Using this methodology, respondents were asked to respond to the emotional content of the visit rather than to the utility of the visit service provision. While the study identified different approaches to visitation, it was conducted in one park catering for a specific market segment.

In its first ratings of U.S. theme parks, *Consumer Reports* (2003) developed a survey to rate U.S. theme parks, however, the evaluation criteria was limited to a few vague attributes: value, rides, shows, staff, souvenirs, and crowds. With increased competition, changing consumer tastes and preferences and extraordinary technological changes, many theme parks are re-examining their product. Therefore, it is necessary to develop comprehensive criteria to evaluate these large entertainment complexes.

GOALS AND OBJECTIVES

The goal of this research project was to develop comprehensive rating criteria for the theme park industry, using a consumer rather than an operator perspective.

METHODOLOGY

The study was conducted in two phases. In phase I, consumers who had visited a theme park in the past two years were asked to share in an open-ended structured interview what they liked most and what they liked least about a typical visit to a theme park. Respondents were also asked what elements or attributes should be included in a rating system of theme parks. The sample of phase I included 614 subjects.

In phase II, a structured questionnaire was developed based on the first phase of the study and several one-on-one interviews with operation and guest services managers in the theme park and attraction industry. Respondents were asked to rate the importance of forty-one theme park attributes in the following areas: general park facilities, value for money, entertainment, food services, market appeal, merchandise, staff, and park's operations. Each attribute was evaluated on a 1 to 5 scale, where "1" indicated "not important at all" and "5" indicated "very important." In addition, respondents were asked about their theme park visitation patterns (two items), likelihood to visit theme parks in the future (one item), and demographic characteristics (five items).

Interviews were conducted with local residents, domestic, and international tourists over a period of eight weeks. Interviews of Central Florida's local residents were conducted in private residences and public areas. Tourist interviews were conducted in hotel lobbies and restaurants. A total of 500 subjects were approached to participate in the study. After screening disqualified subject and eliminating refusals, 379 subjects participated in the study to yield a response rate of 75.8%.

For the purpose of this study, *a theme park* was defined as "a commercially operated enterprise that offers rides, shows, merchandise, food services and other forms of entertainment in a themed environment."

FINDINGS

The respondents who participated in the study represented an array of age groups and had a median of 21-25 years. Over two-thirds were married (35%) and the rest were single (65%). Over one half of the respondents (53.1%) had a college degree. The gender distribution between males and females was 54.6% and 45.4%, respectively (Table 1).

The majority of the respondents were Central Florida residents (58.7%) and the remainder were tourists (41.3%) visiting the area. While the majority of the tourists participated in the study were U.S. residents, 17.7% of the tourists were international visiting Central Florida from Canada, Brazil, France, Ireland, Israel, Jamaica, Mexico, Panama, and the United Kingdom.

The respondents participated in the study had an extensive theme park visiting experience. The typical subject participated in the study visited a median of three theme parks and attractions in the past twelve months. The mean number of visits per year was 4.33 theme parks with a standard deviation of 6.3 parks. The respondents also indicated a strong likelihood to visit theme parks in the next twelve months. Over one half of the respondents (58.1%) were very likely and 27.2% were likely to visit a theme park in the next twelve months.

Table 1
Demographic Characteristics of the Respondents

Gender	%	Age Group	%	Educational Background	%	Family Status	%
Female	54.6%	18 or under	6.7%	Grade School	1.1%	Single	65%
Male	45.4%	19-25	46.4%	High School	25.2%	Married	35%
		26-30	11.0%	Technical Diploma	3.8%		
		31-35	9.4%	Community College Degree	16.8%		
		36-40	9.9%	College Degree	45.8%		
		41-45	6.2%	College Advanced Degree	7.3%		
		46-50	4.0%				
		51-55	4.3%				
		56-60	1.3%				
		61-65	0.3%				
		66-70	0.3%				
		Over 70	0.3%				
Total	100.0%	Total	100.0%	Total	100.0%	Total	100.0%
N= 370		N= 373		N= 369		N= 369	
		Median= 19-25 years					

Respondents were asked to evaluate different attributes that were important to them when rating their overall theme park visiting experience. Each attribute was evaluated on a 1 to 5 scale, where “1” indicated “not important at all” and “5” indicated “very important.” The top theme park attributes that were perceived to be important when rating a theme park are summarized in Table 2. Ride safety, cleanliness of the park, the quality of rides or attractions, friendly and courteous staff, and staff’s knowledge about park’s features were perceived to be the most important variables when evaluating a theme park or an attraction. Less important rating features were perceived to be: Availability of parades, availability of street performers, level of the guest’s educational experience, number of shopping facilities, and the variety of food.

Table 2
Perceived Importance of Theme Park Attributes

Theme Park Facility:	Mean	Std. Deviation
Ride safety	4.79	0.611
Cleanliness of the park or attraction	4.70	0.642
Quality of rides or attractions	4.69	0.597
Friendly and courteous staff	4.64	0.693
Staff's knowledge about park's features	4.59	0.728
Security	4.50	0.779
Overall perceived value for money	4.45	0.796
Line management for rides and attractions	4.42	0.812
Overall number of attractions in the park	4.40	0.772
Quality of food	4.40	0.882
Value for money for food purchased	4.33	0.956
Creativity exhibited in the park or attraction	4.27	0.868
Availability of activities for all weather conditions	4.21	0.849
Variety of food prices	4.20	0.986
Price of admission	4.19	1.009
Quality of entertainment and shows	4.18	0.995
Opportunity to escape from everyday life	4.17	1.052
Rides or activities that appeal to people of all ages	4.10	0.994
Number of thrill rides in the park	4.07	1.115
Layout of the park	4.03	0.953
Availability of spectacular stage revues	4.03	1.003
Appropriate display of show and entertainment times and location	3.89	1.057
Rides or activities that appeal mainly to adults	3.89	0.998
Quality of landscaping	3.88	0.972
Price of merchandise	3.83	1.196
Number of entertainment options offered to guests	3.81	0.995
Variety of entertainment options (shows, parades, music)	3.80	1.088
Rides or activities that appeal to families	3.78	1.185
Level of theming of the park's attractions and rides	3.77	1.049
Availability of fireworks	3.67	1.196
Number of street food vendors	3.63	1.044
Number of sit-down restaurants	3.43	1.077
Variety of merchandise	3.43	1.199
Multi-lingual staff	3.39	1.42
Rides or activities that appeal mainly to children	3.35	1.331
Variety of shopping options (stores, outside vendors)	3.25	1.191
Variety of food	3.23	1.174
Number of shopping facilities	3.22	1.174
Level of educational experience	3.11	1.239
Availability of street performers	3.05	1.236
Availability of parades	2.99	1.262

N=379

Further analysis of the data revealed significant statistical differences between local residents and tourists with regard to the level of importance of features that should be considered when rating a theme park. Table 3 summarizes the results of a series of t-test that were conducted to check the differences in the perceived level of importance attached by local residents and tourists when rating a theme park. Local residents attached higher importance than tourists to the number of thrill rides available in a theme park and the price of admission when rating a theme park (Table 3).

On the other hand, tourists attached higher importance than local residents to issues associated with creativity and escapism (“creativity exhibited in the park or attraction” and “opportunity to escape from everyday life”), entertainment (“variety of entertainment options,” “quality of shows and entertainment,” “availability of parades,” “availability of fireworks,”), availability of information (“appropriate display of show and entertainment times and locations,” and “staff’s knowledge about park features”), safety and security (“ride safety,” and “security.”), quality of food, friendly and courteous staff, and cleanliness of the park (Table 3).

Table 3
Perceived Importance of Theme Park Attributes
Comparison between Local Resident and Tourists

Theme Park Facility:	Residents		Tourists		<u>Sig</u>
	Mean	Std Dev	Mean	Std Dev	
Number of thrill rides in the park	4.17	1.012	3.91	1.244	.027
Creativity exhibited in the park or attraction	4.19	.876	4.39	.825	.022
Opportunity to escape from everyday life	4.08	1.079	4.31	1.024	.031
Price of admission	4.31	.899	4.06	1.137	.018
Variety of entertainment options (shows, parades)	3.70	1.087	3.96	1.068	.018
Quality of shows and entertainment	4.09	.985	4.31	.996	.032
Appropriate display of show and entertainment times / locations	3.81	1.061	4.02	1.030	.045
Availability of parades	2.88	1.198	3.20	1.343	.013
Availability of fireworks	3.50	1.216	3.93	1.110	.000
Quality of food	4.32	.898	4.52	.715	.022
Friendly and courteous staff	4.56	.773	4.75	.559	.007
Staff’s knowledge about park features	4.50	.776	4.72	.622	.003
Cleanliness of the park or attraction	4.64	.704	4.82	.483	.005
Ride safety	4.74	.694	4.87	.434	.037
Security	4.44	.794	4.64	.709	.008
N = 379					

To reduce data and develop an empirical typology of theme park rating system, Factor Analysis was employed. The procedure was used to group interdependent variables into descriptive categories that would summarize important elements when guests rate theme parks.

The Factor Analysis procedure revealed unique areas of concern that are of importance to visitors when rating theme parks. The 41-variable Factor Analysis with the Varimax rotation yielded ten factors that explained 63.05% of the variance, featuring factors that represent areas of operation and service that were important to guests when rating a theme park. However, when reviewing the Scree Plot of the extracted ten factors, it appeared that the marginal contribution of the last four factors entered into the model was minimal. The Eigenvalues of these four factors were less than 1.500 and their combined contribution to the overall variance explained was 11.75%.

A new Factor Analysis procedure limited the number of factors to six. The 41-variable Factor Analysis with the Varimax rotation explained 51.31% of the variance, reducing the data to six major areas of concern for guests when rating theme parks. These areas were: (1) quality and variety of guest experiences, (2) availability and variety of family-oriented activities, (3) customer service, safety and security, (4) shopping activities, (5) pricing and value for money, and (6) availability and variety of activities for adults. The Cronbach alpha reliability analysis revealed that alpha scores were greater than 0.75 in the first five factors (Table 4).

Clearly, both local residents and tourists valued a variety of issues when considering rating a theme park. It appears, however, that quality, variety, market appeal, operational issues, and value for money seemed to be the key areas of concern perceived by guests to be important when rating theme parks. It is interesting to mention that the most powerful factor was associated with the quality and variety of the guest experience at the park, including entertainment, shows, food, creativity, and layout.

Furthermore, while pricing and value for money may be perceived by guests and operators alike as a major rating construct, the data showed that this was the fifth factor entered into the model, contributing only 4.083% to the variance explained in the analysis. The factors and their loadings are presented in Table 4.

Table 4
Factor Loading & Reliability Testing

Factor #1	Factor loading	Eigenvalue	% of Variance	cumulative % of variance	Cronbach alpha
Quality and variety of Guest experiences		10.308	25.143	25.143	0.8505
Quality of entertainment and shows	.758				
Variety of entertainment options (shows, parades, music)	.728				
Number of entertainment options offered to guests	.713				
Appropriate display of show & entertainment times/location	.640				
Variety of food	.592				
Creativity exhibited in the park or attraction	.550				
Layout of the park	.511				
Factor #2	Factor loading	Eigenvalue	% of Variance	cumulative % of variance	Cronbach alpha
Availability and variety of family-oriented activities		3.684	8.984	34.127	0.8282
Rides or activities that appeal mainly to children	.767				
Rides or activities that appeal to families	.675				
Availability of parades	.662				
Availability of street performers	.595				
Level of educational experience	.583				
Rides or activities that appeal to people of all ages	.767				
Factor #3	Factor loading	Eigenvalue	% of Variance	cumulative % of variance	Cronbach alpha
Customer service, safety and security		1.977	4.821	38.948	0.7643
Friendly and courteous staff	.702				
Ride safety	.656				
Staff's knowledge about park's features	.640				
Cleanliness of the park or attraction	.583				
Security	.555				

Table 4
Factor Loading & Reliability Testing
(continued)

Factor #4	Factor loading	Eigenvalue	% of Variance	cumulative % of variance	Cronbach alpha
Shopping activities		1.747	4.260	43.208	0.8896
Variety of shopping options (stores, outside vendors)	.862				
Variety of merchandise	.833				
Number of shopping facilities	.823				
Price of merchandise	.573				
Factor #5	Factor Loading	Eigenvalue	% of Variance	cumulative % of variance	Cronbach alpha
Pricing and value for money		1.674	4.083	47.290	0.7541
Value for money for food purchased	.827				
Variety of food prices	.776				
Quality of food	.618				
Price of admission	.546				
Factor #6	Factor loading	Eigenvalue	% of Variance	cumulative % of variance	Cronbach alpha
Availability and variety of activities for adults		1.650	4.025	51.315	0.5476
Number of thrill rides in the park	.723				
Rides or activities that appeal mainly to adults	.525				
Overall number of attractions in the park	.522				

CONCLUSIONS

With more than 328 million people visiting U.S. theme and amusement parks in 2004 (IAAPA, 2005), the relatively young segment of the tourism and hospitality industry has shown a tremendous growth since the opening of Disneyland in California on July 17, 1955. According to the Travel Industry Association of America, the theme park and amusement industry has also generated substantial economic impacts on other segments of the hospitality industry. For example, theme park travelers spent an average of \$839 per trip, excluding transportation to their destination, compared to just \$433 on the average U.S. trip. They also included longer overnight stays (5.4 nights) compared to the average U.S. trip (4.1 nights) (Travel industry of America, 2005).

As travel and visits to theme parks continue to increase in popularity, many theme parks and attractions are adding new rides, entertainment, shopping and foodservice alternatives to capture a greater market share of the traditional family market. As the supply of theme parks and entertainment alternatives increases, operators and marketing executives should consider carefully consumer needs and perceptions when developing entertainment products to their patrons.

Since consumers have become more informational oriented when making travel and recreational decisions, the need to develop a criterion to evaluate and rate theme parks was overdue. Theme parks and attractions should have a rating or an evaluation criterion like many other products in the tourism, travel, and hospitality industry.

This study was a pioneering attempt to capture the key issues that may be perceived important to consumers when rating theme parks. While operators should consider micro issues of concerns like ride safety, cleanliness of the park, the quality of rides or attractions, it would be also useful to provide an empirical typology that summarizes important elements for guests when rating theme parks. Factor Analysis of the data reduced the dozens of issues of concern to six factors or clusters representing quality and variety of guest experiences, availability and variety of family-oriented activities, customer service, safety and security, shopping activities, pricing and value for money, and availability and variety of activities for adults.

With over 67 million patrons visiting the Central Florida theme park and attractions in 2004 (Amusement Business, 2004), it was logical to collect data in the world's largest theme park destination. However, the findings should be interpreted with caution, as the majority of the theme park and amusement facilities, both in the U.S. and around the world, are not as large and do not have the same variety of guest experience offering as the Central Florida theme parks.

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THE IMPACT OF ON-LINE ADVANCED RESERVATION INFORMATION ON TOURISTS' WILLINGNESS TO BOOK

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ABSTRACT

The study focuses on a fairly new online booking feature that allows advanced booking consumers to reserve a particular seat on the airplane or a room at the hotel. The study tests whether, by providing consumers with information about the state of demand, this on-line feature might have an unintended consequence of affecting consumers' willingness to book, and consequently the performance of revenue management policies. Subjects were asked to book a room using a simulated hotel web site. The experimental treatments included information about rooms already reserved and different room rates. The results of the experiment indicate that information about the demand affects potential customers' willingness to book and that there is an interaction effect with the quoted room rate. The findings support the notion that the provider control over the information asymmetry is a strategic tool that can, and should be, used to enhance the firm's financial performance.

KEYWORDS: advanced reservation, information asymmetry, willingness to book

INTRODUCTION

Deal seeking behavior of advanced booking tourists has intensified considerably in recent years, mainly because of the Internet, a remarkably effective search tool that promotes deal-seeking culture (Fox, 2004; Thompson & Failmezger, 2005; Tofa, 1998). Interestingly, the industry plays a major role in promoting this Internet deal seeking culture as tourism services providers such as airlines, hotels, and car rental companies, offer their best deals on the Internet (Olearchick, 2003). Hewitt (2005) states that "as travelers flocked to sites like hotels.com" the hotels realized that they must change and "as a result, we get "guaranteed best pricing," "best available pricing," and, once the marketing folks kick in, "Look No Further pricing" on their web sites."

This consumer culture shift and the emerging eminence of deal seeking behavior are evident in various tourism related information outlets. For example, a recent article published in the *CONDÈ NAST TRAVELER* magazine (McGee, 2003) lists a step by step deal seeking strategy that includes on-line searches, contacting travel agencies, calling the hotel chain's toll-

free number, contacting the property itself, typical price patterns and tips on how to negotiate good deals.

The increased sophistication of deal seeking behavior impairs the effectiveness of revenue management systems and consequently threatens the industry's ability to generate sufficient revenues (Balir, 2003; Crittenden, 2003). There are two major reasons for the negative impact of the Internet's advanced booking revolution on revenue management policies' effectiveness. The first has to do with the deal seeking culture discussed above. The vast majority of revenue management tools rely on theory and models of pricing and consumer behavior that are now outdated. Relying on erroneous/outdated assumptions about consumer behavior, these models can no longer be trusted to optimize revenues. The second reason has to do with the new elements brought about to the marketing channel with the online booking revolution. From the emergence of strong third party intermediaries such as Expedia, Travelocity and Hotel.com to increased use of the providers' own web sites. This new (and still evolving) structure is unaccounted for in the traditional revenue management mechanisms and furthermore new elements within this evolving framework have an impact on the ability of the provider to maximize revenues.

Hence, this study is part of a much needed effort by industry and academia to explore these new developments and thereby to restore the effectiveness of yield policies. Specifically, it focuses on a fairly new online booking feature that allows advanced booking consumers to reserve a particular seat on the airplane or a room number at the hotel (e.g., Reed, 2004). This feature might have an unintended consequence of affecting consumers' Willingness to Book, WTB, and consequently the performance of revenue policies (Schwartz, 2004) because it provides the consumer with visual information about the current status of reservation-on-hand, information that otherwise is not available to a typical consumer. The information can affect the consumer's assessment of the sell out risk, a component that, according to the advanced booking strategic zones model (Schwartz, in press), determines in part the consumers' WTB, deal search decision and consequently affects revenues. The study sets out to demonstrate that as the theory implies, WTB can be affected by the online seat/room selection mechanism and to explore the managerial implications.

The Seat/Room Selection Feature And Its Hypothesized Impact

One of the recent on-line booking innovations is the seat selection feature on airlines web-sites or the room selection feature on hotels sites. Figure 1 illustrates what such a feature looks like on American Airlines® web site. This on-line feature provides the potential customer with information about the demand for the item. That is, the number of seats or rooms already booked (marked as unavailable for advanced reservations) indicates to the consumer what the demand is like. This information is not otherwise available to the consumer and hence the feature decreases the information asymmetry that typically exists in advanced booking situations.

An indication that a large number of rooms are already reserved is expected to increase the customer's WTB because of the following two reasons:

1. The less rooms available, the more likely the hotel to sell out. A customer that estimates the likelihood of a sellout (occurring before the date of consumption) to be high is less likely to continue to search for a better deal and is more likely to book earlier.

2. The more booked rooms, the more likely the provider to raise rates as time nears the date of consumption. A customer who anticipates such a price increase is more likely to book early.

Hence, the first hypothesis is as follows:

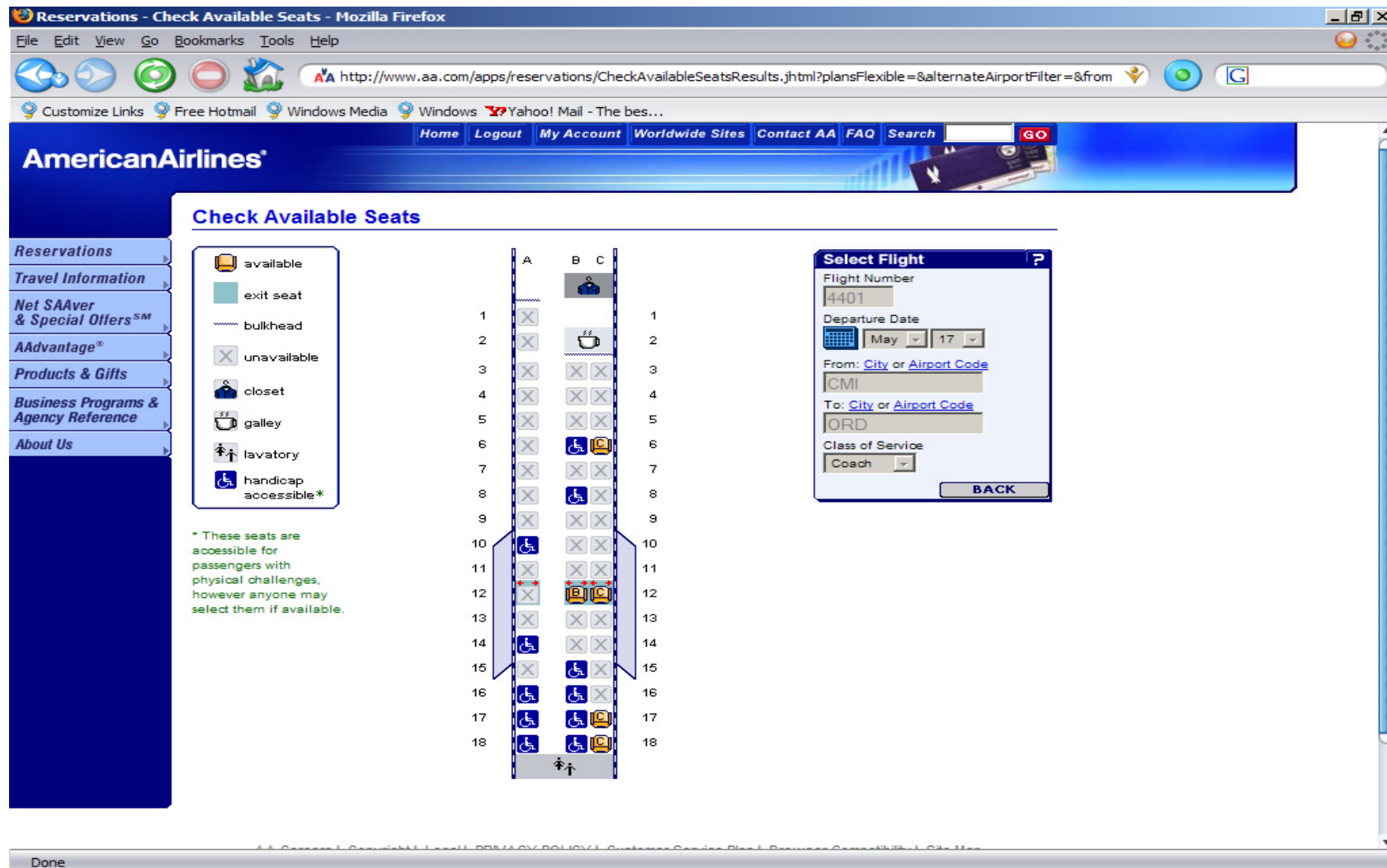
H₁: The presence of online information indicating that many of the rooms have already been reserved can induce a higher willingness to book compared to a situation where only few of the rooms have already been reserved.

It is obvious that there are several factors that might affect WTB. That is, the presence of information about the number of reserved rooms is not the only variable that determines the customer's WTB. Price is probably a most important one. Clearly, price might interact with the impact of reservation information. Consider for example extreme situations with a very low or very high price. In the first case of very low price, the consumer might disregard information about the number of seats or rooms already booked. One can envision a rate low enough to induce booking regardless of the number of rooms already reserved. Similarly, a high enough rate can deter consumers from booking regardless of the number of reservations. Hence the formal hypothesis is:

H₂: The relation outlined in H1 depends to some extent on the quoted room rate. That is, the room rate interacts with the effect that information about room reservations has on willingness to book.

In what follows the paper discusses the experiment conducted to test these two hypotheses. The next section outlines the methodology, followed by the results. The paper concludes by discussing the implications, weaknesses of the study and venues for future research.

Figure 1
American Airlines On-line Seat Selection Feature



METHODOLOGY

Sixty-three university students enrolled in an undergraduate Leisure Services Marketing course were recruited as subjects for this study. Their task was to log on to a simulated hotel site, assess the information provided on line, and within a period of six days book a room, paying the best deal (room rate) they could get for a room in that particular hotel. This simulated Internet hotel reservation site was designed to examine the research question, that is, to test whether the subjects' WTB can be manipulated by using the online room selection feature to control the information asymmetry.

All participants signed a consent form and were present in at least one training session where the assignment was explained in details and the use of the online simulation was demonstrated. Every participant who signed a consent form was given a user ID and a password. Email reminders were sent before and during the study to encourage participation.

The study participants had six days to make their reservation and were informed that based on the demand and the hotel revenue management policies, the hotel might increase or decrease the rate quoted every day and that the hotel might sell out if all rooms were reserved. Once logged in, subjects could either book a room or wait a day or more for a possible better deal. Only one login was allowed per day and once the booking decision had been made, the subject was no longer allowed to access the site. Subjects were told that they would earn up to four bonus points toward their final course grade based on their performance in this assignment. Extra credit for class grade was used to increase the subjects' motivation to book the room and at the same time to attempt to find the best deal – two possibly contradictory goals. Subjects who booked the room paying a low room rate received the highest credit (4 points) followed by subjects who paid a high rate (3 points). The smallest extra credit (2 points) was awarded to subjects who had failed to book a room because while they were waiting for a possible better deal, the hotel sold out. Participation was voluntary and all students were given the option to submit an alternative writing assignment on advanced booking and pricing where their extra credit would also be between 2 and 4 points.

The first screen of the simulation (Figure 2) described the task and allowed subjects to log in using their individually assigned ID and password. The instructions stipulated that participants were to book a room six weeks in advance, that is, each passing day represented a week, and that they were allowed to log on once a day for that period of six days. Participants were also reminded that the room rates and the rooms' availability were likely to change over time and that a sell out (that is, no rooms available for reservations) could occur as well.

Figure 2
The First Screen of the On-line Hotel Room Booking Simulation



Upon entering their user ID and password, subjects were presented with the second screen. Each subject was randomly assigned to one of the study's six treatments and was shown her/his treatment-unique information on this second screen. Hence, there were six different versions of the second screen, each corresponding with a single treatment. While viewing the second screen, subjects made their decision on whether to book a room. If they made a reservation, they had to select a specific room using a graphical user interface. This online tool depicted the hotel layout in which available rooms were marked differently from rooms that were already booked. This 3x2 research design had three levels of available rooms and two levels of room rates as follows:

Available rooms conditions

- Many of the rooms were already reserved
- Few of the rooms were reserved
- No information about the number of reserved rooms (control group)

In the “Many rooms already reserved” condition’s layout, 52 out of the hotel’s 58 rooms were marked as booked and subjects were only allowed to select one of the remaining 6 rooms from the drop-down toolbox. As demonstrated in Figure 3, only 8 rooms were marked as booked in the second condition of “Few reserved rooms,” allowing the subjects to choose from a longer drop down list of 50 unreserved rooms. No layout of the hotel was provided in the “No information” control group condition, and subjects were not able to select a specific room.

Room rate conditions

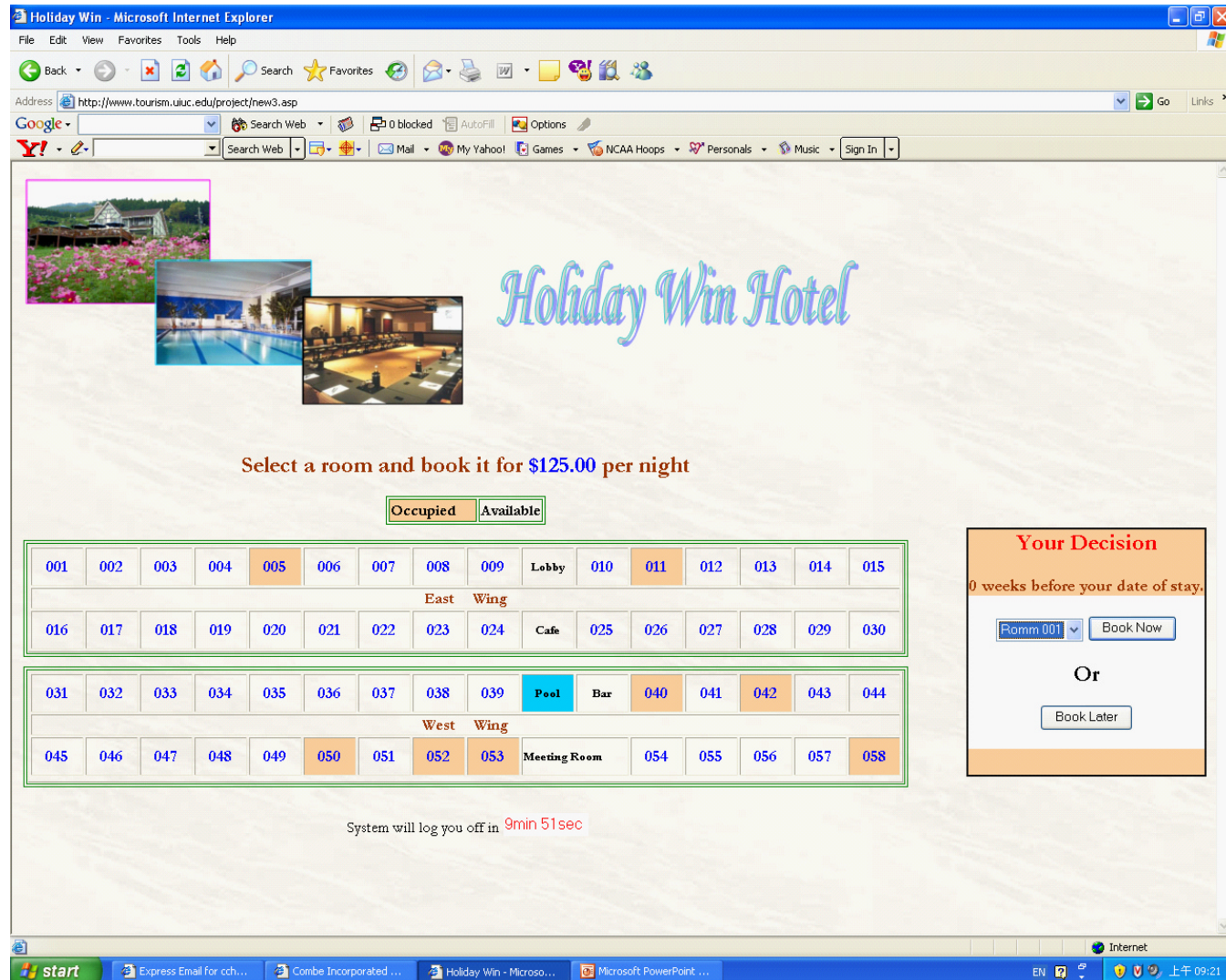
- Low - \$55
- High -- \$125.

In addition the second screen had the following items:

- Two action buttons marked as Book Now or Book Later to be used by the participants when making their decision
- The number of weeks left before the date of stay
- Time remaining for the current session. Participants were logged off by the system if they did not make their decision within 10 minutes after logging in.

The content of the third screen depended on the subject’s action. If the book a room option was selected then the third screen stated that the participant could either confirm the reservation or return to the second screen. Subjects who did not book the room were given the option to exit the system or to return to the second screen.

Figure 3
The Second Screen of Room Selection Feature



WTB, the dependent variable, was measured as the proportion of subjects who placed a reservation on the first two days (depicting the first two weeks). The two independent variables, information on the number of available rooms and the room rates fluctuated over time as time near the date of stay. However for analysis purposes they had to be constant within each treatment group. Hence, were they allowed to change starting on the second day, only first day data could have been analyzed. Given that the number of subjects responding in the first day might have not been large enough, the decision was to keep the two variables at the same level (constant within each treatment group) for a second day, allowing for data from the first two days to be included in the analysis. The number of analyzed days could not be too large because of the impact of time before the date of stay. Even if the availability and rates did not change it was shown (Schwartz, 2000) that willingness to pay or willingness to book changes as the time nears the date of stay. Combining too many days would have introduced another confounding effect, one that would have masked the impact of the dependent variable.

RESULT AND ANALYSIS

Fifty of the class's 63 students (79%) participated in the simulated on-line hotel booking study. The number of participants in each of the study's six treatments is shown in Table 1. The overall number of respondents (across treatments) who booked the room in the first two days was 36, representing 72% of the total number of participants in this study.

Table 1
Respondents in Each Treatment

Rooms shown as reserved on the room selection feature				
<u>Room Rate</u>	<u>Few rooms</u>	<u>Many rooms</u>	<u>No information</u>	<u>Total</u>
Low room rate	8	9	8	25
High room rate	7	10	8	25
Total	15	19	16	50

Table 2 shows what percentage of the respondents in each of the six treatments (as outlined in Table 1), has booked during the first two days. All of the 8 respondents (100%) who were shown (on the room selection feature) that few of the rooms were reserved and who were quoted a low room rate had booked the room. Only 29% of respondents who were shown the same low number of reserved rooms but were quoted a high room rate booked a room during the first two days. Overall (i.e., across the two room rates) 67% of the subjects who were shown that few of the rooms were already reserved had booked a room during the first two days.

All of the 9 respondents (100%) who were shown that many of the rooms were reserved and that were quoted a low room rate had booked the room. That is, no change in the percentage of booking was observed in comparison to the few reserved room/low room rate condition. Seventy percent (70%) of the respondents who were shown the same high number of reserved rooms but were quoted a high room rate booked a room during the first two days. This is 41% more bookings compared to the 29% of respondents booking at the first two days in the few rooms/high room rate condition above. Thus, while within the low room rate condition the information on the number of reserved rooms did not seem to matter, it made a considerable difference within the high room rate group where information that many of the rooms were already booked increased the percentage of the bookings by 41%. Overall (i.e.,

across the two room rates), 84% of the subjects who were shown that many of the rooms were already reserved have booked a room during the first two days. This is 17% higher than 67% of the “few reserved rooms” condition.

When no information on the number reserved room was provided, 75% of the subjects who were quoted a low rate booked a room. This is 25% less than the 100% booking at the few and many reserved-rooms conditions. With a high room rate this percentage of subjects who booked the room and had no information on the number of reserved rooms dropped to 50%. This no information/high room rate result is between the 29% bookings obtained with few reserved rooms/high room rate and the 70% booking of the many reserved rooms/high room rate condition. Overall, 63% of the subjects who had no indication about the number of rooms already reserved booked a room.

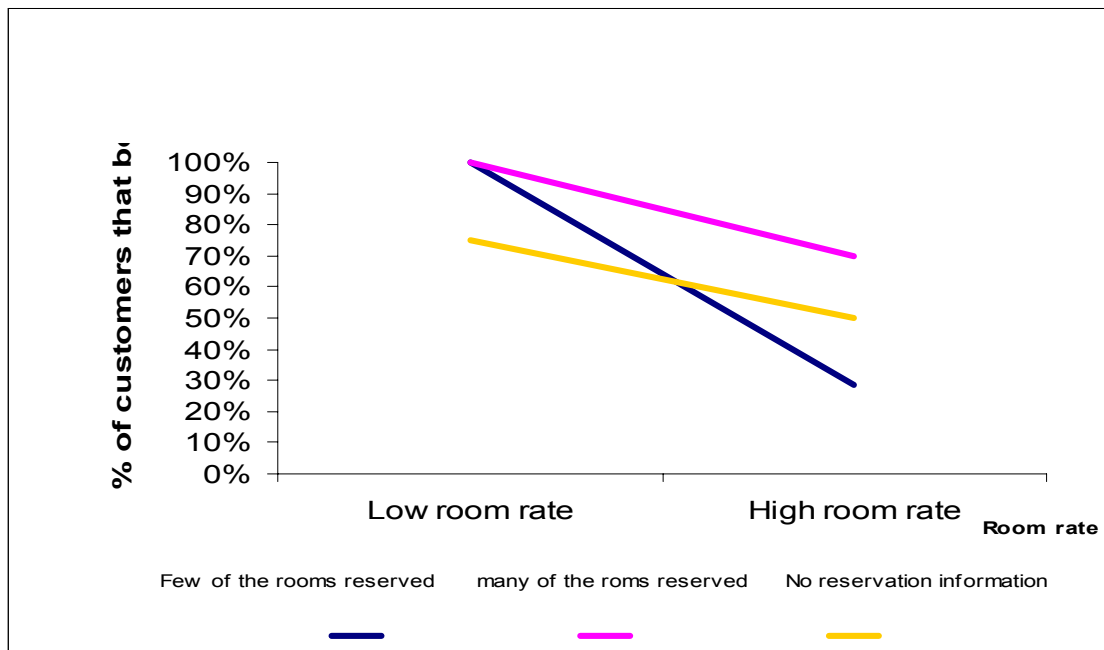
Table 2
Percentage of Respondents Who Booked in Each Treatment

<u>Room Rate</u>	<u>Rooms shown as reserved on the room selection feature</u>			<u>Total</u>
	<u>Few rooms</u>	<u>Many rooms</u>	<u>No information</u>	
Low room rate	100%	100%	75%	92%
High room rate	29%	70%	50%	52%
Total	67%	84%	63%	72%

Hypothesis 1 stipulates that the presence of online information indicating that many of the rooms have already been reserved can induce a higher WTB compared to a situation where only few of the rooms have already been reserved. This hypothesis is supported. The 84% bookings within the “many rooms already booked” condition (Table 2) is statistically significantly higher ($p < 0.10$, proportion test) than both the 67% bookings of the “few reserved rooms” condition, and the 63% bookings of the “no information” condition. Note, also, that the WTB associated with the “few reserved rooms” condition is not statistically different from the one associated with the “no information” condition.

Hypothesis 2 states that the relation outlined in Hypothesis 1 depends to some extent on the quoted room rate. That is, the room rate interacts with the effect that information about room reservations has on WTB. This interaction effect is clearly demonstrated in Figure 4 where the two lines depicting the impact of the “many” and “few” reserved room conditions have a different slope. Within the high room rate condition the difference of 41% is statistically significant at $p < 0.10$ (proportion test). That is, the information that many room were booked resulted in a significantly higher WTB with subjects who were quoted a high room rate. The same change in information about the number of rooms reserved failed to induce a measurable higher WTB among respondents who were quoted a low room rate. That is, when the quoted room rate was low, no measurable change in WTB in response to information was detected. In conclusion, Hypothesis 2 is supported as the impact of information on WTB when the quoted room rate was high was shown to be statistically significantly different from the impact when the quoted room rate was low.

Figure 4
The Impact of Reservations Information on Customers' Willingness to Book



LIMITATIONS

Some limitations and directions for future research should be noted. First, consider the homogeneity of the group of respondents, that is, the student population used in this experiment. It implies that the results should be interpreted as an indication that the investigated human behavior phenomenon does exist. In other words, this study proves that when the controlled treatments were assigned to the specific group of people, the hypothesized impact was induced and its connection to the quoted rate established. Hotels, airlines and other tourism providers wishing to predict the impact of such information on their customers' WTB would need to conduct site/consumer population specific market research. That is, more studies of target market segments are needed before the findings can be fully applied by a tourism service provider. Furthermore, the phenomenon is yet to be thoroughly investigated under different conditions. One possible application has to do with price thresholds. The results indicated that when the price was low, there was no statistically significant impact on subjects' WTB whether the information about the number of rooms reserved was high or low. A possible explanation is that the low quoted price was perhaps too low and consequently all subjects in that treatment preferred to "grab" this incredible deal rather than wait/search for a better deal. In such a case the information about the number of rooms already reserved is deemed meaningless by the subject as s/he does not consider searching for a better deal. Therefore, a venue for future research is to replicate this study but with more refine levels of quoted room rates.

Another limitation has to do with the way WTB is measured. The study assessed WTB by measuring the number (or proportion) of subjects that placed their reservation on the first two days of the simulation. Alternative approaches to measuring WTB might yield more insight and better understanding of the way reservation information and control over information asymmetry can serve as a tool to improve the performance of the revenue management system.

CONCLUSION

This study examined the impact that information about the number of reserved rooms might have on consumers' WTB. Consumers who use the fairly new on-line room selection feature have access to information that otherwise is not available to them, that is, the information about the number of rooms already reserved by other customers. It was hypothesized that this information about the state of demand that becomes available to consumers, can be used by the provider to induce higher WTB, because the higher the number of rooms reserved, the greater the perceived risk of a future sell out and the lower the probability of the hotel offering a better deal before the date of stay.

The results indicate that as hypothesized, when a large number of rooms was reported to have been reserved by other customers, WTB has increased. It was further demonstrated that this impact depends on the room rate quoted. When the quoted rate was very low no impact on WTB was measured.

The major implication has to do with the strategic role of information asymmetry. Traditionally, customers have less information than the provider about the state of demand, that is, how much of the tourism service capacity is going to sell. This information is of great importance to the provider in determining marketing and pricing best decisions. If available it is also important to the consumer, especially in this new era of deal seeking. The demand information can be used by the consumer to assess the sell out risk and the likelihood of more favorable rates being offered in the future. These are two elements that are crucial to the deal seeking consumer in determining the best deal search strategy. Given that the provider can control the release of this information and moreover manipulate its usefulness to the consumer (frequency, accuracy, etc), it can become yet another tool in the arsenal of revenue optimization methods that the tourism service provider can apply.

One such possible application is the online seat/room selection tool examined in this study. For example, the tourism service provider can control whether the access to the on-line tool (and consequently to the information about the demand) is allowed before a reservation was made or only after the booking. Obviously, if the information is made available only after the booking was done, its impact on WTB is likely to be smaller than if the consumer can access the information even before s/he made the reservation.

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BRIDGING SERVICE, RESEARCH AND EDUCATION: THE CASE OF COFC'S OFFICE OF TOURISM ANALYSIS

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ABSTRACT

The Department of Hospitality and Tourism Management is a new department of the College of Charleston that resulted from strong industry support and financing from a community known for its upscale restaurants, resorts and hotels that are primarily independents. The program's mission has strong research, service and educational components. Presented will be an internet based software application system designed to track the financial performance of its industry partners including occupancy rates, RevPar and future bookings providing benchmarks where firm's can contrast their firm's financial performance. Two similar tracking programs will be presented designed for area attractions and restaurants.

The purpose of the presentation is to highlight an application that virtually automates the data collection and reporting functions of a tourism research office. In addition information is provided on how these systems provide a wealth of living case study material that has been imbedded into the Department's upper division courses. Information will be shared as to what the software cost, how it can be developed, and lessons from the field.

Section II

Refereed Poster Papers

WHO WILL STAY- WHO WILL GO, AND WHY: AN EMPIRICAL ANALYSIS OF MANAGEMENT TURNOVER IN THE PRIVATE CLUB INDUSTRY IN USA

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ABSTRACT

Management turnover is a perennial problem in the hospitality industry. The cost of finding new managers and the additional expenses of orienting and training them are tremendous. Private clubs, an important segment of the hospitality industry, are no exception to this problem. The particular issue of management turnover and retention in the private club industry has not been addressed in the literature in sufficient detail.

Today clubs face competition from many sectors of the hospitality industry for a member's discretionary dollars. Under these competitive pressures, clubs can no longer be managed by stewards, secretaries, or favorite staffs. Clubs need professional managers who have a breadth of knowledge spanning management, psychology, economics, engineering, accounting, food technology, marketing, and law. When managers leave, this talent base is lost. This industry is expanding faster than the available talent.

The turnover rate of private club managers is higher than any other managerial segment, ranging from 20% to 23% annually. Over half of club managers have been at their current club less than five years. The direct costs associated with the replacement of a new manager range from \$20,000 to \$30,000. The estimated costs of operating without a Club General Manager range from \$5,000 to \$25,000 per month.

Given the tremendous costs and related problems associated with managerial turnover in the club industry, the purpose of this study is to address this gap in the literature and propose research-based solutions to this serious issue. The purpose of the study was to explore the relationship between management turnover, job satisfaction, organizational factors, and demographic factors. The objectives for this study are to:

1. Determine the rate of upper-management turnover in the private clubs of Illinois, Minnesota, and Wisconsin.
2. Identify the organizational factors that lead to long-term employment of upper management in these private clubs.
3. Determine demographic factors that contribute to job tenure of upper management in these private clubs.
4. Investigate factors that contribute to job satisfaction of upper management in these private clubs.

METHODOLOGY

A questionnaire was developed for the study, using guidelines from applied research in the areas of club management, human resources, job satisfaction, and turnover. The population was defined as top managers who are members of the Club Managers Association of America (CMAA).

Data was collected utilizing a survey that was mailed to top managers of 217 private clubs in Illinois, Minnesota, and Wisconsin. Subject participation was voluntary. Individual participant responses were anonymous and confidential to the researchers. Individuals were asked to complete the survey and send it back in the postage-paid envelope provided. A cover letter explaining the purpose of the survey, along with a letter from the Chapter President of CMAA was included in the package. Of the total of 217 surveys mailed, 137 usable surveys were returned, giving a 63.1% response rate.

This data was statistically processed utilizing the SPSS statistical software. Basic descriptive statistics, correlations, crosstabs, and analysis of variance were computed. Survey respondents were predominantly male (86%), in the age range of 36 – 55 years. The majority was white, and 62% had earned at least a Bachelor's degree. Nearly half of the respondents held their current position for less than four years, while over one third had held their current positions for six or more years. The majority of upper management in the private clubs had thirteen or more years of experience in the club industry. Nearly 50 percent of managers are working under contracts.

The factors that were found to be significantly positively correlated with job tenure were age, years in the club industry, clearly defined responsibilities, satisfaction with salary, a sense of loyalty, a clear understanding of expectations, good relationships with department heads and members, job autonomy, certification, satisfaction with compensation, qualifications, impact or effectiveness, and number of children. On the other hand, conflict with general membership was negatively correlated with job tenure.

Managers were asked why they had left their previous job. The main reasons cited were: low compensation, conflict with board members, micro-management, lack of autonomy, stress, burnout/overwork, and lack of opportunity for development/advancement. Multiple analyses pointed to the same set of issues.

Implications for the club industry are suggested. Ideas for further research are provided. This study will help the club industry to address management turnover.

MOTIVATION MODEL OF CHINESE OUTBOUND TOURISTS: DESTINATION VARIANCE

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ABSTRACT

The outbound market in China has experienced a dramatic growth since 1997 when Chinese residents were officially allowed to vacation overseas (China National Tourism Administration, 2003). According to World Tourism Organization, outbound tourism in China grew by 37 percent in 2002. In 2003 China surpassed Japan in the number of outbound travelers and thus became the leading Asian generating market with a total number of 20.2 million trips abroad (World Tourism Organization, 2003). In the year of 2004, China generated 30 million outbound tourists; and it is expected that by the year 2020, China will become the fourth largest source country globally (World Tourism Organization, 2003). By the end of 2004, China has designated more than 90 countries and regions with the approved destination status (CNTA, 2005). All indications are that the government will continue to add more countries to the list. With the memorandum of understanding signed between China and the United States and that between China and the European Union in 2004, Chinese Mainlanders will have more options when choosing their outbound travel destinations.

Scholarly work on the outbound China market started in the late 1990s, but remains scarce relative to the rise and trend of the market. Few extant studies include Zhang Qiu and Lam (1999), Ryan and Mo (2001), Qu and Lam (1997), Wen Pan and Law (2001), Yu and Weiler (2001), Jang, Yu and Pearson (2003), and Cai, Boger and O'Leary (1999). These studies ranged from the profile of outbound travelers to their motivation, behavior, preference, and perception. Most of those studies focused on one particular destination, such as Hong Kong (Zhang Qiu and Lam 1999; Zhang Qiu and Heung, 2001; Qu and Lam, 1997), Australia (Wen Pan and Law 2001; Yu and Weiler, 2001), the United States (Jang, Yu and Pearson, 2003), and New Zealand (Ryan and Mo, 2001). One study by Cai, Boger and O'Leary (1999) investigated the characteristics of the Chinese travelers to a region that consists of Singapore, Malaysia, and Thailand.

In recognition of the increasing number of destination choices available to the Chinese travelers, this current study is designed to examine the Chinese travelers to multiple destinations. Specifically, the study aims at understanding the motivations of the Chinese travelers to multiple destinations.

Studies of motivations is in essence asking “why do people travel?”. The answers to this question should be the starting point for any discussion of marketing or planning of a destination (Bansal and Eiselt, 2004). There is an extensive body of literature dealing with consumer motives and desires to travel in general (e.g., Gnoth, 1997; Glendon, 1998; Ross and Iso-Ahola, 1991). The motivations to travel overseas have also been examined for outbound markets such as the United Kingdom (Song, Romilly, and Liu, 2000), Japan (Reisinger and Turner, 2002), and Korea (Chen and Hsu, 2000; Lim, 2004). However, travel motivations vary by destination choices (Kozak, 2002). The motivation and behavior of outbound travelers in mature market such as German and Japan is also different from that in developing markets like China (Zhang Qiu and Lam, 1999). Most of the current theories or models on outbound travel motivation are generated predominantly on mature markets, which may not be directly applicable to a developing market such as China. The current study will therefore address the following two questions: 1) What are the overall motives or desires of the Chinese outbound travelers? 2) Do Chinese outbound travelers’ motivations differ by their destination choices?

The study will be carried out in three stages. The development of a consumer survey instrument will be the focus of the first stage, which will be founded on the synthesis of previous literature on travel motivations and focus groups of Chinese outbound travelers. The second stage will be data collection after pilot testing and refining the instrument. A probability sampling method will be contemplated to gather data proportionately from the travelers bound to different groups of destinations. Geographic distance and cultural proximity will be used to determining the groupings. The final stage will be the data analysis. The expected outcomes include the identification of underlying factors of motivations that are common to all destinations and/or unique to specific destination groups. A multi-destination model of motivations for China’s outbound market will be proposed. In addition to the scholarly contributions to the existing body of knowledge on travel motivations, the findings will be of practical value to destination marketers and tour operators that are competing for one of the fastest-growing origins of international visitors.

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PROFILING WINE TOURISTS: AN OBSERVATION AT A WINE AND FOOD FESTIVAL

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ABSTRACT

The purpose of this research was to examine the relationship between wine festival attendees' intentions to revisit and satisfaction with, perceived value of, and past behavior regarding the festival. More importantly, this study added two variables to this model of intentions to revisit by examining the effect of satisfaction and perceived value on attendees' intentions (1) to visit a local winery and (2) to buy local wine products. The study will testify on the promotional impact of a wine festival on its associated destinations and products.

INTRODUCTION

Festivals and events are a viable component of both the wine and tourism industries. Wine-related events present opportunities for wineries and wine regions to promote their products and attractiveness (Getz, 2000). Events such as wine and food festivals attract a significant number of visitors to a wine region and help build loyalty to the region and its individual wineries (Hoffman et al., 2001). Attending festivals is recognized as the main reason and specific motivation for visiting wineries or wine regions (Hall & Macionis, 1998). Many fundamental questions remain as to the nature of wine festival attendees, from the perspective of attendees themselves (Yuan et al., 2005). Such investigations will help the festival organizers in their attempts to maintain the quality of the festival and to promote local wineries and the wines.

This research project aims at achieving the following objectives:

- 1) To consider the role of prior visits, satisfaction, and perceived value on wine festival attendees' intentions to revisit the festival.
- 2) To test the effect of past behavior on wine festival attendees' satisfaction and perceived value of the festival.
- 3) To examine the effect of perceived value on satisfaction of the festival.
- 4) To investigate the effect of satisfaction and perceived value on wine festival attendees' intentions to visit a local winery and buy local wine products after the current visit.

METHODOLOGY

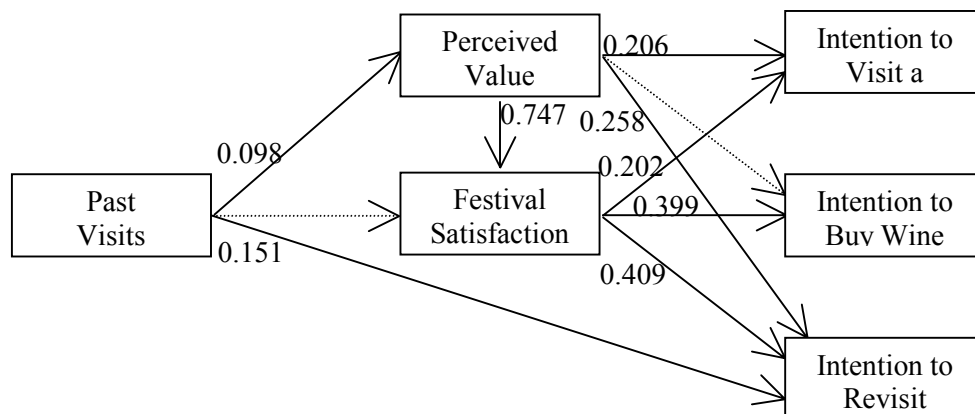
The wine festival selected for this study was a one-day event called the Vintage Indiana Wine and Food Festival. The event is promoted as “a festival of wine, food, and fun.” It provides a good venue for local wineries to market their products. In 2003, the event featured 14 Indiana wineries, live music, a variety of foods presented by local restaurants, and a wine/food educational area with demonstrations on cooking. More than 6,000 visitors attended this regional event. Trained field workers intercepted festival participants at the festival with a questionnaire. A total of 501 usable questionnaires were collected.

The variables used for this research included past visits (i.e., the number of visits to the festival), perceived value of the festival, satisfaction with the festival, intention to revisit the festival, intention to visit local wineries because of the festival, and intention to buy local wine products because of the festival. All the variables, except past visits, are measured by a single item on a 7-point Likert scale. Past behavior was operationalized by asking respondents how many times they had visited the Festival. Since the event took place the fourth time in 2003, the answer by the respondents would range from 0 to 3, not including the current visit. Standardized coefficients were estimated using the Maximum Likelihood method.

RESULTS

Significant relationships were detected between (1) past visits and perceived value at $p < 0.05$ level, and between (2) past visits and intention to revisit, (3) perceived value and satisfaction, (4) perceived value and intention to revisit, (5) perceived value and intention to visit local wineries, (6) satisfaction and intention to revisit, (7) satisfaction and intention to visit local wineries, and (8) satisfaction and intention to buy local wine products at $p < 0.01$ level. The proposed relationships between past visits and satisfaction and between perceived value and intention to buy local wine products were not supported by the results. Prior experience with the Festival influenced the respondents' perceived value of the Festival and intention to revisit the Festival. Satisfaction with the Festival was strongly affected by perceived value and together the two variables influenced the respondents' intentions to revisit the Festival and to visit a local winery. Satisfaction also influenced the intention to buy local wine products. Intention to revisit the Festival, therefore, was determined by satisfaction, perceived value and past visits.

Figure 1
Results of Testing the Hypothetical Model



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A FRAMEWORK OF BRAND EXPERIENCE FOR ECONOMY HOTELS IN CHINA

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ABSTRACT

Branding strategies have been pursued in an increasing number of business sectors from providers of services to producers of consumer goods. Brand has also been a buzzword for the hotel industry for some time, but as Cai and Hobson (2004) pointed out, hotel executives tend to regard “brand” and “product” as the same concept and use the two terms interchangeably, with the mentality that if you have a name you have a brand. One outcome has been the proliferation of competing “brands” in the economy and budget segment, noticeably in the United States. The emergence of international markets has provided a timely outlet for multinational hotel companies to load off their non-performing “brands”. More recently these companies are becoming aggressive in exporting their budget and economy products to one particular international market – China (Cai, 2004).

China has seen substantial economic growth for the past two decades. Its GDP has averaged 9.8 percent from 1979-1997 (National Bureau of Statistics of China [NBSC], 1998) and stayed at around 8.5 percent over the past five years (NBSC, 2004). The country has generated an increasingly affluent population, which has resulted in rising demand for the tourism industry. The phenomenal increase in highway mileage and ownership of private vehicles has further accelerated the growth rates of the demand. The surge of mobile phone users in China acts as an additional catalyst that enables people to travel longer distances but still feeling connected with the loved ones. While the overall demand for overnight accommodation in China will continue to grow, the greatest portion of it will come from the economy and budget segment that is made up predominantly of the domestic travelers on both leisure and business trips.

It is noted that hotels of economy segment tend to shy away from the branding concept due to limited human and capital resources. This situation is mirrored by academia where sparse research has been done in branding for economy hotels. In a recent analysis of China’s economy and budget hotels, Cai (2004) identified the segment’s three critical issues through analyzing five key characteristics on a commodity-brand continuum. These issues included product differentiation, market segmentation, and brand development. This current study posits that a more urgent field of investigation is the development of branding models that focus on customer experience instead of product features. Such investigation will amend the practices of multinational companies that have commoditized rooms of the economy and budget hotels, and at the same time serve the needs of the fastest-growing segment of the hotel industry in China.

RESEARCH OBJECTIVE AND QUESTIONS

The objective of this research is to propose a conceptual framework of brand *experience* for economy hotels with three research questions addressed:

1. What *brand experiences* are applicable to hotels of economy segment given their limited human and capital resources?
2. Has the era of *experience economy* come for China's economy hotels?
3. If yes, what *brand experiences* are most practiced in China's economy hotels given its characteristic cultural background?

LITERATURE REVIEW

In the book titled "*Competitive Strategy*", Michael Porter (1980) identifies differentiation as sustainable distinctive strategy for business. Differentiation of hotels enables hotels to gain brand loyalty among consumers and stay competitive in the marketplace. It has long been recognized in the hotel industry that rather than emphasizing only high quality of service, a greater emphasis needs to be placed on providing "high quality experiences" (Otto and Ritchie, 1995). The customers' focus is on the experiential benefits provided by a brand as a whole and on the aesthetic planning that is essential to developing and implementing a brand or identity (Schmitt and Simonson, 1997).

Pine and Gilmore (1999) stated in their book "*The Experience Economy*" that a new economic era has arrived for businesses to create unique customer *experiences* to sustain competitive advantage. *Experiences* are defined as events that engage individuals in a personal way. While service economy delivers on demand the intangible products, the experience economy will take over and succeed on basis of understanding the aspirations of individual consumers and businesses and guiding them to fully realize those aspirations. Commodities are fungible, goods tangible, and services intangible, but *experiences* of brands are memorable. An *experience* may engage guests in any number of the four realms of entertainment, education, escape, and estheticism.

Cai (2004) posits a distinction between emotional and rational decision-making on the part of consumers, and between brand and product on the part of hoteliers. While buying a bed or a room with a reasonable price is the rational decision, the emotional decision attaches importance to something that resonates with the guest emotionally. The bed and room are merely magnificent mementos to the grander experience a hotel creates. The sustainable differentiating advantage is achieved through creating its symbolic, emotional and intangible *experiences*. These memorable and personal lodging *experiences* induce guest loyalty—an essence of brand building. The economy hotels in China should shift their mindset from providing "satisfying commodities" to creating "distinctive brand *experience*" in order to compete in the segment.

METHODOLOGY AND EXPECTED OUTCOMES

This study will be conducted in two stages. The first stage consists of an integrated study of marketing and management theories in relation to *brand experience* and competitive strategies; and a synthesized analysis of extant empirical literature on service branding, as well as topics relating to hotel product development, service delivery, and marketing. The outcome of this stage is a conceptual framework of *brand experience* for economy hotels. This stage itself will contribute to the literature of hotel branding.

The second stage consists of a series of in-depth personal interviews with executives and operators of economy and budget hotels in China. The interviews are conducted to find out their understandings of brand *experience* as competitive strategy and to gain their perspectives on the development of branding strategies for economy hotels in China. The framework resulting from the first stage will be introduced to the interviewees in open dialogues and free-flow conversations. This stage aims at identifying the unique brand *experiences* for economy hotels in China. The results of the current study will lay a foundation for future research plans that are devoted to the development of experience-oriented branding models for economy and budget hotels in general and for China market in particular.

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DESTINATION IMAGE AND INTENTION TO VISIT: THE ROLE OF MOTIVATION AS A MODERATOR

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ABSTRACT

Examining tourist destination images is one important way to identify tourist visitation intentions for a tourism destination. Motivation is also strongly related to tourist intention to travel and to the destination selection process. The research reported in this article presents the results of testing effect of cognitive and affective images on tourist visit intentions and moderating effect of tourist motivation in relation to destination image and visit intention. The study confirms that both cognitive and affective images influence tourist intention to visit the destinations. The results of this study also indicate that pull motivation factor partially moderated the relationship between cognitive images and visitation intention. This study provides a better understanding of tourist visitation intentions and aids in designing and implementing marketing programs for creating and enhancing tourism destination images.

KEYWORDS: destination image, tourist motivation, visits intentions, moderating effect.

INTRODUCTION

The main objective of most destination image studies is to enhance destination-marketing strategies by determining tourists' behavioral intentions based on their image of destinations. Based on the types of image a tourist has, a not the tourist would visit a destination could be reasonably predicted (Hunt 1975; Goodrich 1978; Echtner and Ritchie 1993). Other factors may also influence the relationship between destination image and tourist intention to visit. For example, the effect of image on visitation intention may change depending on the level of travel motivation. It is reasonable to presume that more motivated persons with a positive image of a destination are more likely to visit the destination than less motivated ones with the same level of positive image.

Little attention has been paid to elements that moderate relationships between destination image and visitation intention. Even though the role of destination image cannot be overestimated, destination image is not the only factor in tourist intentions to visit the destination. The relationship between destination image and visit intention could change significantly depending on how a third factor influences the relationship. Since motivation is closely related to consumer behavior intentions such as destination choice (Jang and Liping 2002), motivation also needs to be included in assessing tourist visit intentions. Thus, travel motivation is examined as a moderating variable in this study. This study examines how various degrees of push and pull motivation factors influence cognitive and affective

destination images, which are major factors in the process by which tourist select a destination.

METHODOLOGY

A total of 393 responses were collected from convenience samples of students at a major university in a Midwestern state in the United States using a self-administered questionnaire during the spring semester of 2005. Each respondent was asked to answer questions on a scenario involving a summer vacation to New York City. A total of 387 questionnaires were coded for data analysis.

The majority of measure items in each of five sections: Cognitive image, Affective image, Push motivation, Pull motivation, and Intention, were drawn from several existing literatures (Baloglu and McCleary 1999; Jang and Liping 2002; Dann 1996; Chen and Hsu 2000; Beerlie and Martin 2004; Russel and Snodgrass 1987; and Ajzen 2002).

Factor analyses were undertaken for the cognitive image items and push and pull motivation items in order to reduce the items and to identify the underlying constructs. Three cognitive image factors: Diversity, Natural Environment, and Tourism Infrastructure, three push motivation factors: Novelty and Excitement, Escape, and Rest and Relaxation, and three pull motivation factors: Variety of Activities, Safety Environment, and Historic and Scenery were extracted.

RESULTS

The results of regression analysis indicated that two cognitive factors “Diversity” and “Natural environment,” predicted for student intentions to visit New York City. Therefore, it confirmed that most tourist cognitive image of a destination significantly influence tourists intention to visit. Pleasant/unpleasant, exciting/gloomy, and relaxing/distressing items out of four affective images did have significant effects on visitation intention. Since the affective images are positively related to visitation intention, the more pleasant, exciting, and relaxing images a tourist has about New York, the stronger the intention to visit. As another main focus of this study, the moderating effects of push and pull motivation were tested. The push factor “Novelty and Excitement” was insignificant in interacting with cognitive image. Thus, it could be concluded that push motivation has no any moderating effect on the relationship between cognitive image and visitation intention. However, the interactions of “Diversity” and “Natural environment” cognitive image with “Variety of activities” pull motivation factor were significant, which suggests pull motivation factor does have a moderating effect. This means that “Diversity” and “Natural environment” affect visitation intent depending on the level of “Variety of activities” motivation factor. There was no moderating effect of push motivation factors between affective image and intention to visit. Unlike cognitive image factors, pull motivation was found not to function as a moderator. The level of motivation did not change tourist images of New York City or affect their intention to visit.

The present study attempted to see if push and pull motivation factors moderated the relationship between cognitive and affective image and tourist intentions. Based on these results, for young college students, a variety of activities and facilities while they are taking a summer vacation in New York City are very important. This indicates that tourism marketers in New York City need to keep up the image of the city as a place of varieties when they target young adults.

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MEASURING THE EFFECTIVENESS OF INDIVIDUALS AS TOURIST ICON ATTRACTIONS: AN EXPLORATORY STUDY

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ABSTRACT

As the application of icons as tourist attraction continues to increase, there is growing need to understand the utilization situation of icon in the destination resorts. The purpose of the article is to articulate a set of potential icon effectiveness criteria based upon a preliminary review of the literature, know facts about the impacts of certain icon and an online survey. For this study, the 212 destinations that used the icons as tourist attractions were chosen from the 512 members of International Association of Convention and Visitor Bureaus (IACVB), and were surveyed. Through analyzing the data collected from responses, we get the criteria on the general characteristics and marketing of icons attractions.

KEYWORDS: icons, icon attractions, era, type, publicity, individuals

INTRODUCTION

Despite the increase in expenditures and visitor nights by icon attractions drawing increased attention from industry practitioners, research concerning the effectiveness of individuals as tourist attractions has been very minimal. While the concept of an “icon” has been discussed (Riley, Baker, and Van Doren, 1998), no attention has been given as to how to assess the effectiveness of such attractions. Furthermore, the limited research that has been conducted has not lent itself to direct application in the destinations. As a direct response to this current information deficiency, analyzed the opinions of CVB directors about using icons as tourist attractions and produced some preliminary criteria for measuring their effectiveness.

LITERATURE REVIEW

The media, and especially TV, have a significant impact (Meyrowitz, 1985). In his book, *The Tourist Gaze*, Urry (1990) suggests that tourists seek environments and experiences that are different from non-tourism realms. One of his baseline arguments is that “...places are chosen to be gazed upon because there is an anticipation, especially through daydreaming and fantasy, or intense pleasures, either on a different scale or involving a different sense from those customarily encountered. Such anticipation is constructed and sustained through a variety of non-tourist practices such as film, TV, literature, magazines, records, and videos which construct and reinforce the gaze” (Urry, 1990).

With reference to Urry's work, a series of studies have been published in the tourism literature (Ritchie, J.R. & Michael, Z, 1978; Woodside, A.G., Moore, M. E, Bonn, A.M, &G. Wizeman, G.D, 1986; Datton, 1995; Tooke & Baker 1996; Gordon, 1995; Rice, 1994; Riley, Baker, & Van Doren, 1998; Riley & Van Doren, 1992; Warneke, 1994; Winter, 2002). However, these previous works did not consider the relationship between individual icons and destinations. Some of the researchers analyzed the importance of the impact of films on destinations (Busby and Klug, 2001; Riley and Van Doren, 1992). Moscardo (1996) also emphasized the relationship between the emotional experiences of tourists and films. Larsen and George (2004) analyzed the relationships among destination image, destination branding, and films.

Pearce, Morrison and Moscardo (2003) examined the roles of famous individuals (icons), who became heroes or heroines in their fields, as the basis for developing and marketing tourism destinations. They further specified these noteworthy individuals as politicians, entertainers (film, music/film), sports stars, criminal/antiheroes, explorers, inventors, literary/artistic figures (poets, novelists, artists, musicians/composers), mythical figures/book characters, royalty, military figures, religious figures, business people and philanthropists, and other famous people. Based on MacCannell's (1989) site sacrilization approach, a five-stage process for icon attraction development and marketing was suggested by these three authors:

1. Resource identification (Identify the tourism value of an individual icon's life story).
2. Marketing emphasis (Determine how to fit the individuals into the marketing mix; whether specific market segments are accessible, reliable and stable over time; and whether the new or expanded markets are compatible with the existing destination visitors).
3. Interpretation (Make the life story of the individual clear or accessible to audiences through a focused "story-telling" facility).
4. Sales and merchandising (Consider that the opportunity to experience and appreciate the memory and value of the individual's achievement might be cheapened by the sale of inappropriately inscribed ashtrays, beer mugs, tea towels, etc.)
5. Broader community use (Ensure that the promotion of the individual compatible with the community's vision and for the kind of tourism desired by stakeholders).

Pearce, Morrison and Moscardo (2003) also identified several factors contributing to an individual icon's marketability, including geographic area of notoriety, and connecting individual icons and activities in destinations.

PURPOSE OF THE STUDY

The current research is an attempt to build upon Pearce, Morrison and Moscardo's research on icons as attractions. It is regarded as an exploratory study to further characterize the development of icons as tourist attractions, and to suggest preliminary criteria for measuring their effectiveness.

The following specific research questions were established:

1. What era of icons is the most effective in attracting tourists to destinations?
2. What types of icons are the most effective in attracting tourists to destinations?
3. What is the best way to promote an icon as a tourist attraction?
4. What has been done to make visitors aware of the association between the icon or icons and the destination?

5. What is the most effective way to make potential visitors aware of the association between the icon/icons and the destination?
6. Are destination marketers concerned with the types of publicity about the icon/icons in various media sources and their impacts on the destination?
7. What are the relationships between the eras of icons and the way to promote them as tourist attractions; to make potential visitors aware of the association between the icons and destinations; and the level of concern with the types of publicity about the icon/icons in various media sources?
8. What is the relationship between the way to make potential visitors aware of the association between icons and destinations and how to promote an icon as a tourism attraction?

METHODOLOGY

Through checking the websites of the 512 member destinations which of The Destination Marketing Association International (formerly IACVB), 212 were found that were placing an emphasis on human icons in marketing. The main criterion used to select these destinations was whether the individual icons were prominently featured on their websites. Given the DMAI's membership composition, the focus was on English-speaking countries such as the U.S., Canada, U.K., and Australia.

A self-administered questionnaire, in two parts, was created based on information obtained from the literature review. The first part included questions on CVB executives' general opinions on the characteristics of individuals as tourist icon attractions. In the second part, the respondents provided their perceptions on the marketing of individual icons as tourist attractions, especially related to issues of publicity. An online survey was created in FrontPage 2002. An e-mail participation request was sent along with the survey website address (URL) to all members of IACVB. A reminder was sent out to increase the response rate.

The data from multiple-choice questions were coded and analyzed with the SPSS 11.0 (SPSS Inc, 2001). Frequencies, cross tabulations and chi-square analyses were used for comparisons of categorical variables; ANOVA tests were used to compare the means of continuous variables. The frequencies were used to describe the opinions of CVB executives on icons in different eras (historical, modern, and contemporary); types of icons (sports, royalty, political, etc.); promotional approaches for icons as tourist attractions, etc. Chi-square analyses and ANOVAs were used to examine the relationships between eras/types of icons and recommended promotional approaches.

CONTRIBUTIONS

The results of this study will provide useful guidance for destinations that chose to use individual icons as tourist attractions. Suggested era of icons, types of icons and publicity are recommended. The study may also serve as a starting point for establishing the bases of comprehensive evaluative criteria for using icon attractions. It also provides preliminary information for conducting more research on this topic. Future research should involve a more extensive examination of other characteristics of icon attractions.

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HOSPITALITY & TOURISM EDUCATION IN THE MAKING: THE CASE OF THE SULTANATE OF OMAN

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ABSTRACT

Tourism is a global industry and a national strategic priority for most countries. It is becoming an increasingly important industry sector for the Sultanate of Oman. Oman has a significant amount of natural, cultural and heritage assets. The aggregation and concentration of these assets makes Oman unique in the region. Despite these attributes, the current level of Oman's tourism activity is well below its potential.

The tourism sector can provide employment to many in Oman. As forecasted by the WTTC, nearly 114,823 jobs—11.8 per cent of total employment—will be generated by 2014. Realizing the immense potential this sector has to offer, the Omani government is investing heavily in it and hopes to increase the contribution of the tourism industry to the national GDP to 3 percent by 2020, up from the current 0.3 percent. This 10-fold increase will raise tourism revenues to US\$338 million.

The objective of this case study is to help form a complete and well-organized picture of the hospitality and tourism education scene in Oman. While the study of tourism/hospitality in Oman is a relatively new subject, it is being recognized as a vital growth industry for the country's economy. The research method used was a case study approach that presents background information and secondary data about major players of hospitality and tourism education in Oman.

This study aimed to showcase and describe Oman's successful experience in developing hospitality/tourism education and training schemes for the country in order to meet the manpower development objectives and match the proposed optimistic tourism expansion projects in progress. An examination and assessment of the current status of hospitality and tourism educational institutions was conducted by collecting recently published data on the World Wide Web from the official websites of the three major players. Those major players were: The National Hospitality Institute (NHI), Oman Tourism and Hospitality Academy (OTHA), and The Department of Tourism - Sultan Qaboos University (SQU-DT).

With regard to hospitality and tourism education efforts the following issues were evident: (1) There is a number of established training and education institutions in Oman capable of providing the necessary hospitality and tourism training and education; (2) There are a wide variety of hospitality and tourism programs available to provide training and education at all levels and with varying effort; (3) Efforts are being made to include local communities and the whole country in general; and finally, (4) Training and education are being reflected in higher standards at all levels within the tourism sector and by the major players of hospitality and tourism education institutions.

In conclusion Oman has recognized the development needs, education and human resource development, and the planning and management effort required to capitalize on the tourism potential. Accordingly, Oman is enthusiastically and strategically embracing the opportunities and challenges that its tourism industry is facing.

KEYWORDS: Hospitality and Tourism Education; Middle-East Human Resources Development, Oman

TEAM DEVELOPMENT IN AN EXPERIENTIAL CAPSTONE CLASS

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ABSTRACT

In today's competitive marketplace, the need for productive teams has led to increased interest in team development to improve interaction and better achieve team goals (Bartlett, Probbler & Mohammed, 1999). While employers are looking for job applicants who can work effectively in teams, business schools are being criticized for not preparing graduates with the necessary team-related skills (Gardner & Korth, 1998; Gremler, Hoffman, Keaveney & Wright, 2000). In a hospitality curriculum it is imperative to fully prepare students with effective communication skills and a thorough understanding of teamwork. These skills are critical for success in today's workforce.

The focus of this research is on team development and productivity in a Hospitality and Tourism Management (HTM) experiential capstone course titled, Advanced Food Service Management. The class is a full service a la carte bistro restaurant, open to the public, in which student teams manage the operation three evenings per week. Each team is comprised of representatives from each night of service, Tuesday, Wednesday, and Thursday, and is expected to manage, market, and deliver a positive bistro dining experience. The students also prepare, execute, and evaluate their experiences. Each team is responsible for three evenings of restaurant operations, managing the week for sales and marketing weekly menu specials. The students utilize the skills and knowledge gained in this and previous courses to make critical managerial decisions and develop strong leadership skills.

Experiential learning is a process where students gather first-hand knowledge of the subject they desire to master. In the hospitality field, on the job training is critical for a person to learn all of the nuances of the field. Having a laboratory classroom experience is a close parallel to the real world experience but allows for reflection as well as process time. Experiential laboratories also allow students to make mistakes that in the real world would often cost them their job. Mistakes in a laboratory setting are used as a teaching tool and provide an opportunity for critical decision-making and analysis.

The challenge of integrating theory, practical work, and management experiences can be successfully achieved by utilizing team building in an academic environment (Mahoney, 1999). This HTM program has little or no team building training built into the curriculum. Students are expected to perform in a team-based environment without a great deal of formal training in team development. Team development will be measured using Susan Wheelan's (1994) integrated model of group development. The purpose of this study is to evaluate differences in-group development between teams that have team-building training embedded in the curriculum and those that do not receive any additional team-building training.

The concepts of group development have been well researched (Lewin, 1935; Bennis & Shepard, 1956; Mills, 1967; Luft, 1970; Shaw, 1971; Wheelan, 2004, 1994; Wheelan & Furber, 2004). The founding of group work theory and dynamics can be traced back to work done with small groups by Kurt Lewin (1936) in the 1930's. The basic model of group development holds that groups move through five stages (Tuckman, 1965; Tuckman & Jensen, 1977; Wheelan, 1994; Wheelan & Furber, 2004). Wheelan further developed and adapted Tuckman's model when she proposed an updated integrated model of group development that has five well-defined stages of development. Each of the five stages has distinct group characteristics and issues. The stages are called forming, storming, norming, performing and concluding stages of development. The class is team-based and all students are randomly placed into teams of approximately five people. These are management teams whose goal is to successfully manage the restaurant for one week.

This study uses a quasi-experimental design with data collected over two semesters. The first semester teams will be the control group and receive no team training. Second semester teams will receive a series of team training programs. The training will be experiential in nature and include classroom team exercises as well as an outdoor team challenge program. Every aspect of the class will be replicated exactly except for the team-building training and the students enrolled in the class. The research study will measure the development of teams using a valid and reliable sixty-item instrument called the Group Development Questionnaire (GDQ), (Wheelan & Hochberger, 1996). All the teams will be given pre-and post-tests using the GDQ. It is based upon Wheelan's integrative model of team development that includes a measure of productivity. (Wheelan, 1994; Tuckman & Jensen, 1977).

The data from the GDQ will be analyzed using the analysis of covariance, (ANCOVA) and analysis of variance, (ANOVA). This method allows the researchers to study the effects between the pre and post-tests as well as analysis between the control and experimental group.

In summation, the immediate implications of the study would be to determine if teams develop further with team-building experiences. There are also implications for educators teaching similar classes who could use this information to integrate team building into their curriculum. In addition, future studies would allow comparative analysis between different forms of team building exercises.

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A GUIDELINE FOR GRADUATE THESIS TOPIC SELECTION: THE FOUR F'S

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ABSTRACT

Choice of a thesis or dissertation topic is critical to the success of students passing through graduate school. The topic should test (or create) theory and push (albeit most times gently) the boundaries of academic thought (Rudestam & Newton, 2001). Writers in this area tend to focus on the academic side of the topic selection process (Ogden, 1993). This paper breaks with that tradition and presents a practical guideline for thesis topic selection: the four 'Fs' (fun, fundable, feasible, and functional). It discusses the practical side of thesis or dissertation topic selection. Often dissertation or thesis graduate topic selection process is conducted with only considering the academic aspects of the program in mind. This often creates problems for both the student and the advisor as the process evolves and practicality issues become involved. This paper outlines a set of guidelines for topic selection called the four Fs (fun, fundable, feasible, and functional) that tries to avoid many of those issues before the process begins. These guidelines were developed in order to give both students and advisors a set of tools to select topics that will not only meet the student's and the advisor's academic needs but also reflect the practical situations that usually arise from the thesis/dissertation writing process.

THE FOUR Fs

"Fun" refers to the topic being of interest to the student, the advisor, and committee members. Being 'fun' does not necessarily mean the topic is trivial but rather that it is engaging. While it is good practice that students avoid topics that are highly emotional to them (*e.g.*, a person suffering from depression studying depression), the topic should be one that the student can become passionate about so that he/she can sustain a high level of interest over a long period of time (Rudestam & Newton, 2001).

According to Dunleavy (2004), the topic from a psychological perspective has to be one that will not become stale to the writer. Stale topics lead to procrastination; taking on other, more interesting projects as diversions, and affects the overall quality of the work.

Secondly, the topic should also be of interest to the advisor and committee members. As students in graduate school often feel a high degree of ownership for their work, this often causes them to have a narrow perspective on topic selection because it is their thesis or dissertation. What they often do not realize is that if the topic is also of interest to the advisor and committee members, they will be more willing to engage in conversation and be more committed to the success of the student's research.

"Fundable" refers more to the students' ability to survive from an economic perspective. Based on the economic situation of the student, fundability of the thesis becomes more or less important (Ogden, 1993). Many advisors do not think about the financial situation of the student. A topic could be very strong but if the student doesn't have the resources to finance the research associated with it, it becomes daunting and the work either remains unfinished because they have to take on other projects in order to 'survive' and eat (Ogden, 1993). On the other hand, if a student takes on a thesis or dissertation just because of the availability of funding, there are also repercussions to that decision-making process. For instance, the student may then work on a topic that has a limited scope of interest to them personally which leads to the problems of 'topic staleness' as discussed in the 'fun' section. The balance of being able to 'survive' with the other three 'F's' is a delicate one that should not be overlooked by advisors when discussing topics with their students.

In terms of "feasibility", students should be reminded that a life's work should be completed over a lifetime and that the point of the dissertation/ thesis process for the student to show their advisor and committee members a level of competency within the field that they feel comfortable allowing the student to pass onto the next level (Dunleavy, 2003; Rudestam & Newton, 2001; Ogden, 1993; Zerubavel, 1999). The time commitment to a thesis or dissertation has to reflect other projects and duties the student will encounter during his/her graduate studies as well as other more personal responsibilities such as child care. Many students (especially at the beginning of the process) do not understand the time constraints associated with other research or teaching assistantships (if they are not teaching courses themselves) as well as the importance of having a social life outside of the academic world. Advisors who have experience in this area should discuss with their students the reality of time management in the graduate school environment. Also, the student needs to take into account both the timing related to not only his/her personal schedules but that of his/her advisor and committee members.

Students are often not aware of the workload and responsibilities of their advisors and committee members and do not take this into account in their timing. This does not even take into account the timing of the institutions that often have set guidelines for theses and dissertation processes. By taking into account the practical time frames of not only the student but of the advisor, committee members and institution a realistic time frame can be constructed.

"Functional" refers to the student being able to gain practical usage out of the document beyond that of just passing the degree requirements. The student needs to be competitive in the job market post graduation therefore, it is critical that the student's research be turned into a publishable article, conference presentation, or other forms that will increase the student's employability (Harman, 2003). The advisor should sit down with the student at the beginning of the process and discuss the student's career goals. Will the dissertation or thesis topic allow them to make critical connections in his/her field of study? Will the topic assist them his/her in acquiring the skills required to move into a professional

position? Students often do not realize that the thesis and/or dissertation is just a stepping stone to another level and this conversation with the advisor can give the student a long term perspective on career development.

Following the four 'Fs' will allow students to get more from their post-graduate work. These guidelines need to be balanced based on each individual's needs and aspirations. For some, the financial aspects may not be an issue while for others it could be critical. Graduate school is a very personal experience; no two experiences are the same (as no two people are the same). As such, it is difficult to relate one model to all. These guidelines are presented as a base for discussion on the practicalities of thesis and/or dissertation writing. A discussion of the four 'Fs' will allow both the student and advisor to gain a better understanding of each other and their roles within the process. It will help to set out realistic goals and objectives that can be achieved by mapping out the process as a whole. Finally, it will help both the student and the advisor to gain perspective on themselves and their future direction together through the process.

KEYWORDS: Topic selection, dissertation, thesis

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BENCHMARKING STUDY OF HOSPITALITY AND TOURISM RESEARCH CENTER WEBSITES IN THE USA

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ABSTRACT

With the increased use of the World Wide Web for education and research purposes, this timely work in progress paper evaluates the current state of university hospitality and tourism research center websites. This study using the balanced scorecard approach (Kaplan & Norton, 1992) will rank these websites based on content, site attractiveness & user friendliness, marketing effectiveness and technical aspects.

KEYWORDS: websites, research centers, education, balanced scorecard

INTRODUCTION

Research centers in the United States account for about fifty percent of basic research. Furthermore, university research, as well as being one of the mainsprings of innovation, has additional importance in the United States because it shapes training for graduate students (Tsichritzis, 1999). A university research center could be defined by its role; encouraging a variety of diverse collaborative activities through a formalized structure that provides explicit leadership for the transferring of knowledge (Betz, 1996) or even more simply as an organized research unit (ORU) (Gray, Lindblad, & Rudolph, 2001).

The Internet is providing university research centers with a new dynamic research environment. Technology has increased the speed and ease at which information can be shared. In less than ten years, and with over 159 million users in the USA (Book, 2005), the World Wide Web (WWW) has become a prominent arena for people to communicate, work, trade, spend leisure time and increasingly use as a learning space (Mioduser & Nachmias, 2002). The dramatic increase in the use of the WWW as an information- seeking and electronic commerce tool, has impacted the nature of marketing and communication and this is true for the nature of the university research center (Duffy, 2002; P. Zhang, Dran, Small, & Barcellos, 1999).

This new environment allows researchers to extend beyond simple hypertext markup language (html) and use more sophisticated, open source and online applications that allow for the exchanging of ideas, highlighting of results and promotion of an institute's expertise to organizations that provide grants and research funds (KMWorld, 2005). As such, the scope of this research is to benchmark hospitality and tourism research center websites using the balanced scorecard (BSC) approach (Kaplan & Norton, 1992).

The original thought behind the BSC was to provide companies with a “comprehensive but quick” view of their business (Kaplan & Norton, 1992). The design was to give an interlinked 360 degree view of a company by looking at it through a financial, customer, innovation, learning and internal perspective. In essence, the techniques enable one to recognize that “performance is a multidimensional construct”(Morrison, Taylor, Morrison, & Morrison, 1999) and that a website’s effectiveness should be evaluated in a number of areas in order to develop a rounded evaluation (Yuan, Morrison, Linton, Feng, & Jeon, 2004).

This study will use three sources of information, which, collectively, catalog all university level hospitality and tourism programs in the USA (Brizek & Khan, 2002; Gould & Bojanic, 2002; hotelschool.com, 2005). A list of 29 hospitality and tourism research center websites was determined and will serve as the population and sample for this study.

The evaluation approach and methodology is based upon the work of Kline, Morrison and St. John (2004) and Feng, Morrison and Ismail (2003). The BSC is comprised of four quadrants. They are 1) site content, 2) site attractiveness/user friendliness, 3) marketing effectiveness and 4) technical aspects. Students from a major Midwest university, who have been pre-qualified by passing an advanced marketing class, will evaluate the websites and will assess the first three quadrants. The first three quadrants are comprised of 42 attributes. The fourth quadrant will be evaluated by Netmechanic.com, an on-line software designed to evaluate the technical aspects of websites.

This study will result in a ranking of these websites based upon each of the four aspects of the balanced scorecard. Since this is a benchmarking study, the outcome of this study will also create reference points of excellence, allowing opportunities for improvement of these research center websites (Kramer, 1995; Breiter & Kline, 1995).

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FOSTERING THE UNDERSTANDING OF DIVERSITY, UNITY, AND COMMUNITY FOR TOURISM AND HOSPITALITY TRAINERS: DISPELLING MYTHS AND SHARING VISIONS FOR THE NEW MILLENNIUM

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ABSTRACT

The answer as why some people value affirmative action more than others may lie in their familiarity with the facts concerning diversity. When faced with articulating the rationale behind such programs, hospitality professionals often find themselves with an unwillingness to explicate. However, the commonly published human resources tourism and hospitality explanations seem to seldom include admissions of poor comprehension of the facts by the organization. The acknowledgment would be a foolish disclosure, since such behavior is an expected component of appointed tourism and hospitality organizational leadership. The progressive trainer knows that excuses could at least be mitigated by the lack of human talent within these organizations.

According to Schmidt (2004), the goal of all diversity training is to make participants aware of their perceptions and assumptions, so as to ensure correct understanding of different values. The characteristics of an effective diversity program are: (a) it must be linked to a business objective, (b) it cannot result in preferential treatment for some groups, and (c) it must have the 100 percent support from top management. The benefits will yield better communication with outsiders as well as insiders, enlarge the customer base and will transpose one's mindset so that a person can engage successfully in any interracial or intercultural relationship (Schmidt). However, divergent viewpoints on the diversity issue make it difficult for many people to accept such premises. The process of change is better facilitated if critics are knowledgeable about the undisputable facts rather than unaware because of beliefs based on presumptions. Although affirmative action has benefited the hospitality industry in many ways, it is but one means to achieve a level playing field for all ethnic groups. Viable alternatives to affirmative action provide strong opportunities for rapid steps towards unity and community. The progressive hospitality organization can benefit from such models to provide improved diversity training.

Diversity training in the workplace has evolved in the last several years. The evolution has occurred primarily because organizations have adapted formal programs to transition from traditionally homogenous infrastructures to more diversified institutions (Hunt & Rice, 2004). These commendable initiatives are a reflection of today's progressive

leadership climate that is more open and embracing of humane globalization. The drive to learn more about other cultures and the need to value individuals for their unique perspectives will enhance the future of the hospitality profession. Multi-national corporations look at the world on a global basis, so today's corporate leaders need to develop business and leadership characteristics that are effective outside of their own national boundaries (Smith, 2004). If practitioners are proactive, they will see diversity as a competitive advantage (Erekson & Trautman, 2002).

KEYWORDS: Diversity Training, Affirmative Action, Legacy, Military Veterans

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CAREER PATHS IN HOSPITALITY EDUCATION: DEPARTMENT HEADS AND DEANS

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ABSTRACT

The number of hospitality and tourism programs around the world continues to increase. This growth commands effective leadership in the world of academia to keep up with an industry that is constantly changing. The purpose of this study is to identify what experiences, competencies and credentials are most common among heads of departments for hospitality and tourism programs at four-year educational institutions within the United States (US). It will also provide a demographic profile of the current heads of departments of hospitality programs. The results of the study may assist potential leaders on the development of these competencies, credentials and experiences to pursue that may positively impact their future employment marketability as an academic department head for a hospitality and tourism program.

KEYWORDS: hospitality education; career paths; department heads

INTRODUCTION

The growth in hospitality and tourism college programs reflects the expansion of an ever-changing industry (Rappole, 2000, Riegel, 1999). As of 1999, there were a total of approximately 170 hospitality programs in existence, including universities, community colleges and programs offering specializations or certificates in the field (Riegel, 1999). Currently, there are 121 hospitality and tourism programs offering *four-year* degrees (CHRIE, 2005). This number of programs is projected to increase at a steady rate (Rappole, 2000). Effective leadership is critical for these programs to be successful and provide the necessary education for productive hospitality and tourism graduates.

LITERATURE REVIEW

The head of a department is a crucial member of any academic program, including hospitality education. Often times this administrative position is filled by a former faculty member who must be prepared for the difficult transition (Achterberg, 2004). The head of a department performs many administrative duties that directly contribute to the success or failure of a program. These duties include crucial decisions such as promotions, tenure, merit salary increases, and course loads (Maerten, 1991). Other duties, often considered of equal or greater importance, are those including interaction within the department with faculty, staff, and students on a daily basis. Program leaders are also expected to represent the university to the industry and maintain productive fundraising campaigns to support their respective programs. These duties all depend a great deal on the department head's ability to lead and

bring about positive change within the department (Maerten, 1991). Knowledge and experience help to build their leadership abilities. The challenges often lie with implementing change in the department. Heads of departments are under “constant and serious pressures to entertain management perspectives different from traditional structures in an effort to better serve the students for which they are ultimately held responsible” (Boeckmann & Dickinson, 2001). Hearn and Anderson (Academic Unit, 2004) identified other factors that can create conflict and challenges within academic departments, such as instructional loads and program specializations. The hospitality and tourism industry is a rapidly changing industry. It is paramount that the department head for a hospitality and tourism program efficiently face the challenges and remain current on the latest education trends as well as the industry trends to improve the course curriculum and program as a whole.

RESEARCH QUESTIONS

This study seeks to explore the following set of research questions regarding the career paths for heads of departments for hospitality and tourism programs:

1. What experiences, competencies and credentials are most common among department heads for hospitality programs?
2. What is the demographic profile of department heads for hospitality programs?
3. To what degree do department heads believe industry experience and/or education is important to achieving success in hospitality education?

METHODOLOGY

The study will gather career history and demographic information on department heads of four-year, baccalaureate, hospitality and tourism programs in the United States. The data will be both quantitative and qualitative in nature and will be collected via a questionnaire survey design. The questionnaire will be designed to gain an accurate understanding of the backgrounds of current department heads of hospitality and tourism programs. An example of selected variables to be used will include education, salary, industry experience, academic work experience, and personal responses to questions pertaining to competencies and credentials deemed necessary by department heads. The data will then be analyzed to identify the current demographic profile for department heads and a common set of credentials and experiences to assist future individuals interested in the position of a department head for a hospitality and tourism program. The sample will be collected from the universities who fit the criteria of providing a four-year hospitality and tourism degree that are identified as members of the International Council on Hotel, Restaurant, and Institutional Education.

CONCLUSION

Many studies within hospitality and tourism education have primarily investigated faculty members and set administration aside (Woods, 1994; Wikof, 1997; Wachtel & Pavesic, 1983; Rutherford, 1982). This oversight of the importance for qualified hospitality and tourism education administrators, such as department heads, deans, and chairs has been shortsighted. Reilly (1986) stated “the development, improvement, and success of an organization, [sic] is highly dependent upon, among other factors, effective leadership.” Hospitality and tourism education needs to meet the demands of a dynamic industry and changes in academia. These demands are not only met by faculty in the classroom, but also by administrators developing industry relationships, relevant curriculum and an overall

effective program. To be successful, the head of a department must foster an environment of learning and engagement to meet the needs of today's hospitality and tourism industry and for tomorrow's hospitality graduates.

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