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[01]

DESTINATION WEDDINGS IN THE MEDITERRANEAN (Development, Trends, Marketing)

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Abstract

What are destination weddings? Destination weddings in tourism industry are often placed under the term wedding tourism, which refers to international trips that are taken by tourists to either get married or celebrate their wedding (TII, 2009). In United States, one in ten weddings is a destination wedding, which is a massive increase over the last decade (BRS, 2011). Consecutively, wedding coordinating companies, airlines, cruise lines, hotel chains, resorts and other stakeholders are discovering that they can profit substantially by making destination weddings a part of their tourist offer. Their neighboring countries have realized the potential this can have on their economies, and are including the destination wedding aspect in the marketing campaigns, and moreover putting effort and investment into promoting themselves as wedding destinations. On the other hand, Mediterranean area also has a fast growing wedding tourism, however without the equivalent support from the government tourism bodies in terms of development and marketing. Since there is no data available to represent the situation with wedding tourism in the Mediterranean, a research has been made among 93 Mediterranean wedding agents. The results help to analyze the current and potential development of the industry in the area, government support and the marketing strategies used over the recent years from both public and private stakeholders.

Keywords: *destination weddings, wedding tourism, destination wedding marketing*

1. INTRODUCTION

Destination weddings are a recent global trend, fast developing and reaching more and more world destinations. In most Central American and Asian countries, the public sector realized the opportunities that lie in this niche and got involved in promotion and development by closely collaborating with the private sector. According to the results of some American studies (WHI, TIAA, 2010), getting involved in wedding tourism seems to be paying off for those placing attention to it.

Considering a wedding is intended to be a once in a lifetime event, couples usually spend large amounts of money in order to have the day of their dreams. However, the wedding day itself does not create the industry. Weddings form a part of event tourism that is based on the primary aspects of tourism, such as traveling, wedding guests staying over, catering and entertainment (Saayman, 2000) and involve an entire range of services and visitors that are making use of these services are contributing to the economic value of that region. Everything that a wedding couple and their guests do on a trip – eat, sleep, rent a car, take a taxi, shop, change foreign currency etc, is included in the tourism industry activities of a destination. It means that all of the economic activities of hotels, restaurants, shops, tour guides, banks, entertainers and basically every job that has a direct or indirect impact on tourism is part of the tourism value chain. Due to such wide scope of tourism industry, also makes establishing the exact financial input of all private stakeholders quite difficult, however it creates a beneficial outcome for all stakeholders involved.

Other events, such as honeymoons, guests extended stays/vacations, renewal of vows and many other functions directly or indirectly connected to a wedding, all create a part of the industry. Weddings also provide a significant income to local authorities through providing the registrar services for civil ceremonies and some also expanding their services.

Additionally, an increasing number of attractions and buildings are seeking to diversify their income through renting spaces for wedding ceremonies and receptions – art galleries, museums, town halls and community centers can all be found on venue search listings alongside country houses, castles and hotels.

As a result, all stakeholders and events combined can bring millions of dollars profit to certain countries GDPs. Statistics support this theory. Out of ten most expensive weddings

ever held globally, half were destination weddings, which meant large amounts of profit for the country where the wedding was held (The Business Insider, 2011). According to Guinness book of records (2010) the most expensive wedding ever held was for an Indian couple, in France in 2006, with the total cost of 78 million dollars. Destinations surely cannot rely on such individual cases, however developing a wedding destination image can contribute to receiving smaller, but still significant profit share.

Concurrently, the industry is mainly driven by small independent businesses – such as venues or caterers – and as a result its value is often overlooked at destination level. Although in the case of Mediterranean, the private sector has built solid grounds and there are sufficient capacities, marketing of this niche industry on a national level is almost nonexistent. In reality, the national tourism campaigns in the Mediterranean are usually focused on other sorts of tourism and destination weddings are marketed mainly by private stakeholders.

There are some Mediterranean governments that started implementing promotional campaigns involving wedding tourism, however there is more to be done. Especially with the constant innovations in marketing, there are plenty of ways for both public and private stakeholders to promote the industry with joined forces. The progressive advent of print, television and on-line media has greatly expanded the ability to structure, create and recreate the meaning of weddings as well as the manner in which these events take place (Daniels & Loveless, 2007). The power that technology can assist travel and tourism operators to develop sources of competitive and promotional strategies is advancing day by day. Although today many couples simply log online to search the information about the destinations, plan their wedding and make purchases, marketing of destination weddings involves a wider scope of strategies being used. Clearly, a destination wedding is a high involvement decision entailing risk and as such lends itself well to technology and web marketing (Major, McLeay & Waine, 2010).

Investigating the strategies used in case of Mediterranean wedding tourism, the research question is - Which are the development possibilities of wedding tourism in the Mediterranean; what is the extent of public and private sector involvement in this industry and how it is being marketed. Supporting the research question, several suggestions will be presented for the development and promotional activities for the governments to use in order to support the private sector.

2. REVIEW

The tourism industry constantly seeks to capture new, desirably more profitable markets, either by internal development and building new customer base or by acquiring companies that specialize in other value tailored products (Robertson & Novelli, 2005). For destinations that possess less characteristics and opportunities than the popular tourist attractions (Foytik & Somogyi, 2008), in order to achieve a destination pull and lead to growth of market share, it is desirable to apply the “niche strategy”. Niche markets are also good for diversifying tourism product, minimizing the effects of seasonality, and reducing pressure on “honey pot” areas by distributing tourists to “less consumed” tourist attractions (CTO1, 2008).

As one of the niche industries, wedding tourism shows incredible statistics in its global development. Major growth of 75% between 2007 and 2012, has been reported by Weddings and Honeymoons International (2012); and incredible 400% increase from 2000 to 2010 for American market (TIAA, 2010). In addition, according to several industry reports, the profit coming from wedding tourism can be measured in billions of dollars (The Wedding Report Inc., The Knot, Splendid Insights, 2012; Mintel, 2008). These figures suggest that the wedding tourism industry is bucking the recession trend and keeps growing.

Considering wedding tourism contributes to local economic development in a number of ways, it has been recognized as a big opportunity for destinations promoting themselves in the international market.

Primarily, couples generally use local goods and services, relying on vendors such as caterers, musicians and transportation specialists whose businesses are directly or indirectly connected to the wedding industry.

Secondly, weddings involve out-of-town guests who are, in essence, tourists during their stay (Daniels & Loveless, 2007). Instead of an individual, a couple or a family; destination weddings can bring groups with up to a couple of hundreds of visitors. Their expenditures on accommodation, food and beverage, transportation and entertainment bring profit into the region, thus embracing local economy.

Third, couples may celebrate their newlywed status by organizing additional events. According to Destination Weddings Survey (2012) results, one in three couples plan a group activity (e.g. a sightseeing tour) for their guests, along with the rehearsal dinner, the after-ceremony reception, and the next-day breakfast.

Moreover, during the honeymoon, newlyweds are again tourists and their spending at a chosen destination will enhance the livelihood of local businesses where they are vacationing (Daniels & Loveless, 2007). Here, the results of the same research show almost nine in ten couples plan to take a honeymoon after the wedding, and seven in ten have the honeymoon in the wedding location (at least part of the time, or the whole honeymoon).

As an incentive to expand the season and attract more guests, many wedding agents are offering a variety of wedding packages. The idea to package the wedding as an entire experience for each guest that plans to travel and attend each wedding, is created to increase the potential profit for all stakeholders involved.

2.1 Governmental involvement in tourism development

In countries where tourism stands out as sector for economic growth at the national level, on the local level this sector presents itself as an essential tool in regional development, as a mean to stimulate the potential of more undeveloped regions and avoid regional desertification and stagnation (Franco & Estevao, 2010).

Some reasons why it is necessary for government to be involved in tourism industry (Jeffries, 2001) are joined objectives and convenience of policies, public sector provision of leisure service, resolution of challenges and the complexity of tourism in general.

Not all governments have the same involvement in this sector. The extent of government intervention depends on the following two factors:

1. Importance of tourism to the economy – In countries where the percentage of GDP contributed by tourist industry is larger, that much greater the government involvement should be.
2. Level of development – In developing countries, the investment from private investors especially in the area of high capital infrastructural development may not be enough. Therefore, government intervention is required for the industry to grow.

2.2 Marketing

Destination marketing has become extremely competitive worldwide (Buhalis, 2000). To achieve competitive advantage in the wedding industry, any destination must ensure that its

overall ‘appeal’, and the customers experience offered, must be superior to that of the alternative destinations open to potential visitors (Dwyer & Kim, 2003). Public bodies that are in charge of the national marketing strategies are in most cases Ministries of tourism or National tourism organizations. Although the public sector is creating marketing that can have a huge impact on businesses, it is also important to realize that this cannot close the sale or take a booking. The furthest it goes is generating awareness, creating interest, and then desire for the product, stimulating an inquiry, and helping maintain loyalty. That is also the reason why in the Mediterranean, majority of marketing used to promote this sector is coming from the private stakeholders.

2.2.1 Marketing channels in private sector

E-marketing and online social networks play an important part here. According to Blake and Green (2005), social networks and blogs represent the most explosive outbreak of information since the creation of the Internet due to the interaction possibility to learn about tourist destinations and their products and services directly from other consumers. On top of all, here customers have a chance to directly interact with the person posting the info. This has created a new method of communication that is similar to word of mouth and empowers consumers. Blogs help convey positive messages, often with the help of company testimonials. For example: ‘Paula and Ben got married in Venice – read their story.’ That is why customers tend to heavily rely on social networks and blogs, and prefer to use both personal and online WOM instead of professional suggestions. Psychologists agree this is due to the fact social networks are intended to be written first hand, coming from individuals, without the purpose to sell or advertize; and purely demonstrating personal experience.

3. METHODOLOGY

This research in extended format was originally designed to generate qualitative and quantitative data by exploring the profiles of the respondents and their consumer behavior, industry trends, challenges, marketing activities and wedding coordinators companies’ profiles. In this paper, the results have additionally been compressed to focus only on the industry development and marketing strategies in public and private sectors.

3.1 Data Gathering Methods

The on-line questionnaire has been used as main tool of primary data. There are a total of 46 questions chosen to determine researched fields in destination weddings. Secondary data is closely related to the choice of questions and provides a theoretical background for the research results. The questions are also chosen by observation of the research and development results in the US wedding market reports.

In addition, personal and on-line interviews have been conducted with wedding coordinators, in order to get more detailed information by personal approach, which is significant for interpreting the received information. The respondents have been chosen according to their interest in the research that was noted through an e-mail conversation following the initial request for participation.

Desk research was deemed to be the most popular instrument for obtaining secondary research. It enabled the researcher to make reference to published materials written by first-hand authors, which actually make the researcher the secondary user of information. This type of data is exposed in the literature review, using the publications gathered through electronic journals, articles and books in order to provide statistics and theoretical grounds about wedding tourism development, marketing strategies in developing niche tourism, and the potential for private and public organizations development in wedding tourism.

Several reports by professor Dimitris Buhalis regarding destination development and marketing have been used as important references throughout this paper, primarily Marketing the competitive destination of the future (2000), as well as Danielses' and Lovelesses' handbook on wedding planning and management. Coming from the basic concept of niche tourism until the detailed marketing strategies used, the secondary data was a base for developing a questionnaire.

On-line questionnaire has been administered electronically through the Internet and then completed by the respondents. An on-line SurveyMonkey.com package was chosen to design the questionnaire, collect, enter and analyze the data within the same software.

Another type of collecting primary data was conducting semi-structured and unstructured interviews, which have been combined in the process of interviewing. In this case, the

interviewer met one respondent in person and two electronically via Internet (Skype) and asked the questions “face to face”.

In semi-structured interviews the researcher prepared a list of questions to be covered (although these varied from interview to interview). Starting from this point, interviews transferred into unstructured or informal, meaning the scope of originally prepared questions expanded, the subject was discussed in-depth and the interviewers were given the opportunity to talk freely about events, behavior and beliefs in relation to the topic. Also, the respondents previously filled out the on-line questionnaire, which was then further elaborated and supplemented with more detailed questions.

Wedding service providers are chosen to represent the unit of observation in this research with the aim to establish what are their experiences and opinions about the market. The original questionnaire has been divided in the following three parts: Profile of the respondents and consumer behavior, Marketing and promotion strategies and activities; and Wedding coordinator’s company profile. For the purpose of this paper, overall results will be considered, with the focus on the second part of the questionnaire.

An inconvenient factor was that the author does not have any personal connections in the wedding industry. Therefore, the population was chosen randomly, in the course of thorough on-line search channels. Focus was placed on all the wedding planners, organizers or coordinators working in agencies, organizations, hotels, restaurants, municipalities and other similar businesses. Their roles are diverse, from individual freelance wedding planners up to wedding coordinators in international chain hotels. The only condition to be a legitimate participant was that they are conducting destination weddings in at least one country of the European part of the Mediterranean. Eventually, the final list of countries investigated as follows: Italy, Greece, Spain, Malta, Cyprus, Croatia, Turkey, France and Monaco. Total number of personal requests sent was 936, out of which 117 positive replies have been received and 32 replies that have declined to participate for various reasons. For the remaining requests, no feedback was received. The total number of respondents that have completed the survey is 93.

3.2 Data Analysis

Questions have been collected and analyzed automatically through an on-line program, however several questions required special segmentation and further analysis in order to outline particular aspects. This process involves labeling categories and then counting frequencies of occurrence (Saunders, 2009). Same method is already used while structuring the questionnaire.

4. RESULTS

As mentioned earlier, due the large scope of research, the focus in this paper will be placed mostly on marketing and governmental involvement parts of the research, including the following segments: marketing tools used by the respondents, most successful marketing tool, the use of mobile applications, together with public and private collaboration and government support and involvement.

In the question with multiple answers possible to choose, as the most common marketing channels used, the wedding company's website represents a principle tool for almost 94% of the respondents. WOM is identified as one of the strongest marketing tools, with the 81.5%. Other marketing channels are presented in Figure 1.

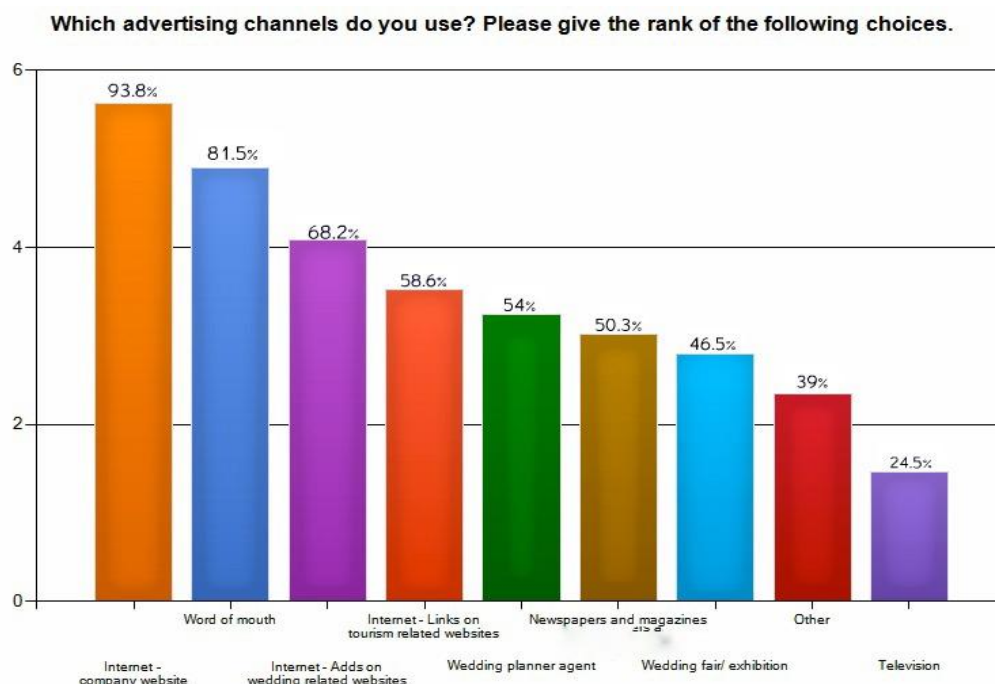


Figure 1: Marketing channels used by private stakeholders

Further on, the marketing strategy that respondents find as the most useful and influential for customers' final purchasing decision, are identified. Advertisements and information on other travel and wedding websites contribute significantly to the overall promotion. Respondents have chosen to put themselves as a relatively high influential factor. Other marketing tools include the magazines, exhibitions and other. Television is considered to be the least useful strategy (Figure 2).

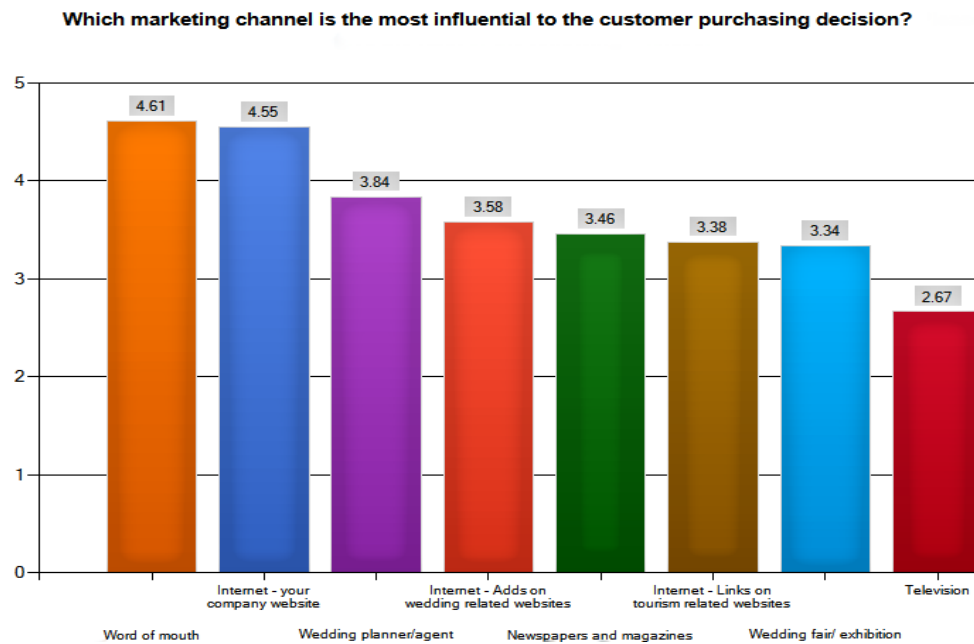


Figure 2: Marketing channels influencing customers' purchasing decision

In terms of international marketing distribution, 62% of the respondents that are conducting weddings in more than one country use differentiated marketing strategy for each country.

Related to the innovation in their operation, 43% of the respondents claim their customers use mobile applications during the wedding planning process.

The results in Figure 3 show that in all participating countries, the respondents collaborate the most with travel agencies (63%) and some governmental organizations on a local or regional level. The collaboration with accommodation associations is close to 38% and with restaurant associations is 32%.

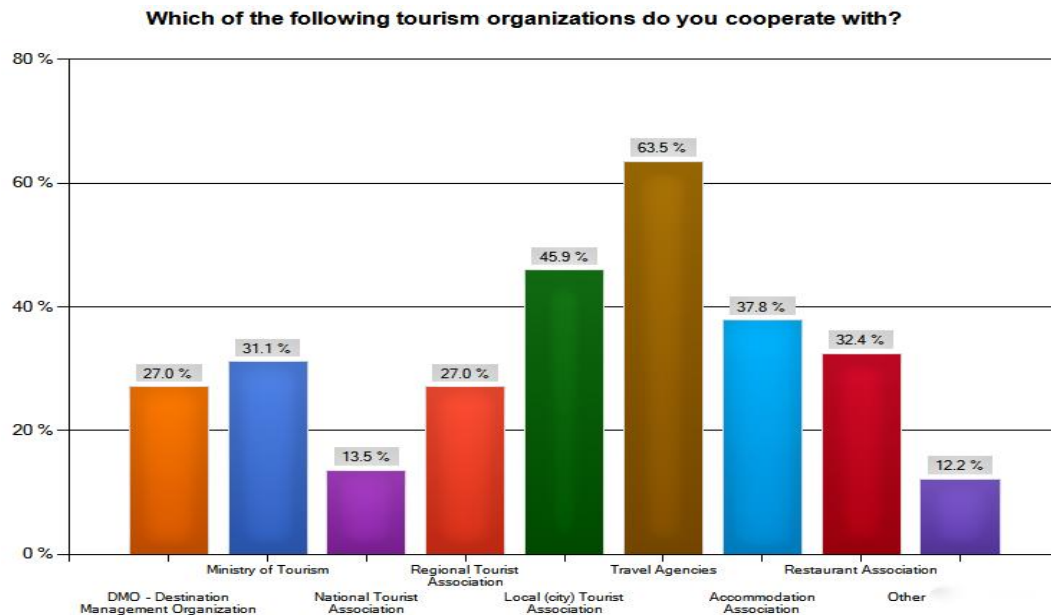


Figure 3: Cooperation with public and private stakeholders

52% of the respondents are satisfied with their collaboration with the public sector, while 67% of them stated they consider the collaboration in the private sector satisfying. The respondents were also asked to identify challenges in cooperating with public sector and offer solutions for these problems. Majority identified bureaucracy and low interest in the industry as major obstacles for developing collaboration.

The highest rate of government involvement in both marketing and industry development is noted in Malta, followed by Cyprus. The assumption here is that an extended focus on destination weddings is placed because these are countries covering small territorial areas and majorly depending on tourism. These governments realized the importance of constant development; upgrading and extending their tourism offer in order to attract the higher possible number of high spending tourists. Their national promotional activities involve destination weddings and the respondents seem to be relatively satisfied with the governmental involvement in this industry. On the other hand, in countries that have a wider scope of industries, governments are not particularly focused on developing wedding tourism as a niche.

5. DISCUSSION

Those responsible for national or destination tourist policies must identify their leading industries, even if they belong to a niche sector. What is even more important is identifying the available resources and working on the expanding. For instance, certain destinations have sufficient selection of professional wedding agents, while others need to further train their service providers or even bring professionals from other destinations. Furthermore, some destinations have prepositions to attract clients by promoting eco-conscious weddings in the natural environment, whilst other can offer luxury high class weddings in high end resorts with diversified and extended offers etc. All of them are eventually reaching for as wider range of quality products and services as possible to offer.

Consecutively, national marketers should be aware not only of the needs and wants of the active demand but also of the potential markets they can attract. Perceiving a destination as a romantic place for weddings also attracts wider masses, not only couples. A product portfolio can then be developed, which enables the optimization of benefits and adapts the marketing mix to the target markets.

Besides the discussed contribution to destination development, the potential of destination weddings lies also in the ability of private stakeholders to create long-lasting relationships with customers. Couples generally belong to the younger generation, which makes them potential future clients. Long lasting memories of such important events, combined with a satisfactory service received can create a future client base for agents. In addition, wedding guests also come back for a repeated visit. Then, middle age and older couples can also create a network of high-spending customers, that want to celebrate their relationship by consuming some of the romantic events included in the wedding tourism industry. They can be seen as the customers with steady income and life savings that are often chosen to be spent on traveling.

By identifying the existing supply of destination wedding resources in the destination, the marketing can be better focused on a larger variety of target groups. At the same time, in order to better identify the existing supply in the destination, service providers in destination weddings need to create an extensive network of all stakeholders involved in the industry of the area. Collaboration of both private and public can greatly advance and improve overall development.

The key factor leading to partnership relies on the fact that all partners, either from the public or private sector, wish to benefit from sharing resources and objectives. Again, a well-organized cooperation can create a unique identity and a carefully positioned brand that then provides an advantage with competition. But before creating a brand there is a process of presentation and marketing products and services to the audience in the most attractive possible way. Although the basic idea and marketing strategies is totally suitable for a tourism destination, adaptations should be made to reflect the specific nature of the tourism market, the specific characteristics of tourism products, and the special features of each and every destination (Buhalis, 2000).

In every industry there are specific associations focused specifically on its stakeholders. One of the main points intended to be presented in this research was the establishment of an institution that would cover the Mediterranean destination wedding industry, unite all professionals working in the area and provide certain standards for both agents and customers. However, during the research (2012), Association of European Wedding Professionals (AEWP) has been established, as the first organization dedicated to upholding professionalism and integrity within the European wedding industry. Although European countries and regions compete among themselves, collaboration on a European or Mediterranean level could help attract more international customers. AEWP focuses on uniting wedding organizations and setting standards for industry professionals throughout Europe, and seeks to develop a unified and collaborative effort to regulate industry practice whilst offering recognition of industry professionals (AEWP, 2012). Establishment of this organization can be seen as a significant step for the development and promotion of destination weddings in Europe, Mediterranean included.

5.1 Other types of possible government involvement

Strategies that Governments can include in destination weddings development are suggested:

- **Training and Education**

Staff employed in the tourism and wedding industry need to be properly trained- from the basics of hospitality management at hotels and restaurants, speaking more languages to the professional event management at the high end and serving new markets. The Government,

private sector and donors can collaborate in building educational courses for tourism employees.

- **Appropriate Infrastructure**

If a destination marketing is promoting a wedding destination, it is crucial that the destination possesses all the advertised attributes and, moreover additional products and services that will exceed customers expectations and influence their repeated visit.

- **Market Research**

Improve methods of data collecting and gathering feedback from wedding couples. This helps destinations collectively and what couples increasingly want. The results of these could be used to develop and test new models that describe consumer motivation and business behavior in this specialist industry, as well as measure customer feedback on the destination wedding experience, identify their position on offerings and the degree to which the experience met customers expectations. Prompt feedback is essential due to the constant change of consumer preferences.

- **Developing Innovative Tools**

Governments should be committed to helping tourism and wedding service providers succeed. Developing industry tool kits can help small and medium-sized businesses leverage national tourism and wedding image.

Furthermore, including a tourism intelligence body to help wedding companies make business decisions, market and promote their products and services, and find their target customers. These resources help tourism and wedding businesses transform their tourism offerings into the experiences that will keep visitors coming back.

- **Visas and Permits**

Placing special interest to facilitating the visa application process for wedding groups (and other tourists). Also, appropriate modifications of certain legal requirements for foreign couples can bring new customers that are unmotivated by long legal procedures.

- **Airport Fees and Taxes**

Some travel and wedding industry professionals argue that airport fees in certain countries serve as a disincentive to foreign travelers. In contrary, lowering the airport fees and taxes

where possible can significantly affect the ticket price be crucial for the customers' final purchasing decision.

- Extended flight range

Cooperation with airline companies and foreign governments can permanently or seasonally involve including direct flights to new destinations, which significantly expands the potential visitors group.

6. CONCLUSION

Following the main focus of this paper, the conclusion brought up based on this research is not that the national governments should primarily focus their strategies on wedding tourism, but an obvious potential represents the need to integrate this sector into tourism and marketing strategies.

Once the national tourism bodies establish that the destinations possesses appropriate infrastructure and trained professionals, they can focus on the developing a destination wedding image. That is how destination weddings can become an instrument that is being used to boost the local economy and promotion of tourism as a whole for Mediterranean market as well as the leading US market.

One of the primary steps that should be implemented would be positioning of all stable niche industries on their national, regional, and local tourism online channels. In regards to marketing strategies, considering there is unlimited space to be used, wedding tourism does not take over the main attractions that the destination online channel is presenting. A short link that guides to further information is enough to create awareness for the random website visitors, and at the same time, provide reliable information for the visitors that visit the site intending to receive destination weddings information. This has been identified as a primary strategy suggested to be used by all involved stakeholders for a number of advantages – it is not demanding in terms of resources, budget or workforce. However, this does defer from country to country due to the fact some countries in the Mediterranean still do not have even a 100% clearly identified tourism promotion channels.

Besides creating awareness for destination wedding customers, the private sector seems to have a duty of creating the awareness for their own public sectors, and pointing out that there is an industry that is already well established or with solid grounds and a potential to be further developed. Moreover, similar to tourism and coping with the new trends, it can be linked to basically any other industry in the region. There is a process to be done in order to

achieve the level of the established Asian or Caribbean wedding destinations. For that reason, countries that will start working on this “hidden” industry, will gain have the advantage of receiving the biggest part of the “wedding cake”.

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[02]

TAKING/RECEIVING AND GIVING (TRG): A MIXED-METHODS STUDY TO EXAMINE MOTIVATIONS IN VOLUNTEER TOURISM

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Abstract

Prior researchers indicated that motivations in volunteer tourism can be categorised into two main groups – hedonism or self-oriented and altruism. However, none of them obviously divided motivations in this categorisation in a quantitative approach. The aim of this study is to explore motivations in volunteer tourism and examine whether this motivation can be separated into two domains: taking/receiving and giving. To obtain deep understanding about motivations of individuals for being involved in volunteer tourism, literature in volunteer tourism, volunteerism, and tourism are included and intersected. Further, a mixed-methods study was used with the qualitative approach at the first phase with 32 respondents participated in focus groups, in-depth interviews, and online interviews. Findings of the qualitative phase included taking/receiving motivation, giving motivation, and taking/receiving and giving (TRG) motivations. Further, 542 respondents participated in an online survey for the quantitative phase. Some of the findings were considered to be used in the quantitative stage, along with the literature in the three fields: tourism, volunteerism, and volunteer tourism. The study resulted physiological, public service, religious, social interaction, and environmental motivations. Using structural equation modelling, the findings confirm that motivation in volunteer tourism can be divided into two different variables – taking/receiving and giving (TRG) motivations.

Keywords: *volunteer tourism, taking/receiving motivation, giving motivation, TRG, mixed-methods, structural equation model*

1. INTRODUCTION

Motivation is one most frequent aspect studied by researchers in the three fields of tourism, volunteerism, and volunteer tourism whether using qualitative, quantitative or mixed-method approaches. Volunteer tourism is about people who combine volunteering and tourism activities in a travel destination (Higgins-Desbiolles, Russell-Mundine, & Lyons, 2008; Raymond & Hall, 2008; Wearing, 2001) whether within their own country (for example, Budd, 2012; Erdely, 2011; Yoda, 2010) or abroad (for example, Grimm, 2010; Nguyen & Nguyen, 2012; Stritch, 2011; Timonen, 2012; Van der Meer, 2007); and pay all costs, such as for transport, accommodation, meals, and registration and financially contribute to the project itself (Bailey & Fernando, 2010; Campbell & Smith, 2006; Gray & Campbell, 2007).

Researchers have applied various approaches to investigate motivation, particularly in tourism, for example: Maslow's hierarchy of needs (Kay, 2003; Tikkanen, 2007), push-pull factors (Baloglu & Uysal, 1996; Dann, 1981; Riley & Doren, 1992; You, O'Leary, Morrison, & Hong, 2000), the travel career ladder (Pearce, 1988; Ryan, 1998), and Iso-Ahola's motivational theory (Biswas, 2008; Iso-Ahola, 1982; Snepenger, King, Marshal, & Uysal, 2006). In volunteerism, the volunteer function inventory is one of the examples (Greenslade & White, 2005; Kim, Zhang, & Connaughton, 2010; Wu, Wing Lo, & Liu, 2009). Furthermore, in volunteer tourism Taillon (2007) used extrinsic and intrinsic motivations. In general, Studies found that volunteer tourists are motivated by altruism and egoism/hedonism aspects (Coghlan & Fennell, 2009; Godfrey & Wearing, 2012; Helle, 2012; Wearing, 2001).

2. LITERATURE REVIEW

To understand motivations in volunteer tourism, the author looks through all indicators relate to motivations, taken from studies in tourism, volunteerism, and volunteer tourism. The first thing to do is adjusting all items found into the Maslow's hierarchy of needs (Maslow, 1943, 1970), which consists of:

- (a) Physiological motivation, for instance: To relax; To enjoy happy time; To have some time for a break from routine life (Greenslade & White, 2005; Huang & Hsu, 2009; Wu et al., 2009);

- (b) Safety motivation, for instance: No matter how bad I've been feeling; Volunteering would help me to forget about it; Volunteering is a good escape from my own troubles (Clary et al., 1998);
- (c) Social interaction motivation, for instance: To meet new people and make new friends; To be with people who enjoy the same things I do; To mix with fellow travellers/volunteers/volunteer tourists (Benson & Seibert, 2009; Kozak, 2002; Omoto & Snyder, 1993);
- (d) Self-esteem motivation, for instance: To feel better about myself; To increase my self-esteem; To feel less alone (Fox, Machtmes, Tassin, & Hebert, 2010; Omoto & Snyder, 1993);
- (e) Understanding motivation, for instance: To experience different culture; To learn about other places; To increase knowledge of other new places (Huang & Hsu, 2009; Lee, 2011; Ooi & Laing, 2010);
- (f) Self-actualisation/autonomy motivation, for instance: I would be independent; I would be obligated to no one; I would be doing things my own way (Pearce & Lee, 2005);

Further, motivation groups above identified in the first step are located into the taking/receiving domain in the left side of the diagram (see Figure 1 below).

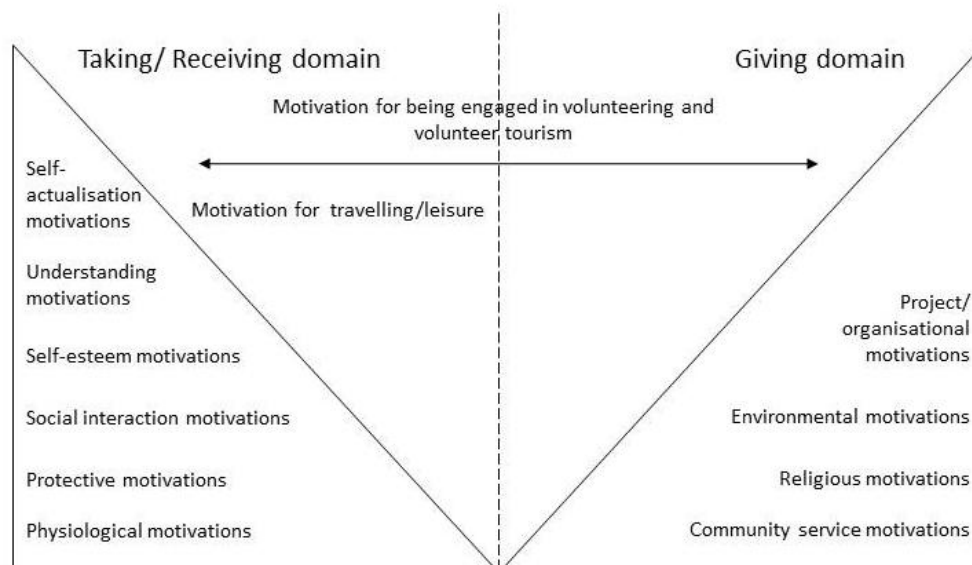


Figure 1-The Taking/Receiving and Giving (TRG) motivations scheme (adapted from Maslow's Hierarchy of Needs)

Motivation indicators excluded in Maslow's hierarchy of needs are adjusted into new groups as follow:

- (a) Project/organisational motivation, for instance: To work with an organisation whose mission I support; Agree with the mission; Adhering to agency's goals/missions (Chen & Chen, 2010; Cnaan & Goldberg-Glen, 1991; Lee, 2011);
- (b) Environmental motivation, for instance: Concern for the environment; Environmental protection (Bruyere & Rappe, 2007; Chen & Chen, 2010);
- (c) Religious motivation, for instance: To fulfil religious obligation/beliefs; Desire to share religious values/beliefs; It's God's expectation (Cnaan & Goldberg-Glen, 1991; Pillemer, Landreneau, & Sutor, 1996; Tewksbury & Dabney, 2004);
- (d) Public service motivation, for instance: To help others/community; To give something back to others/community; To make a difference (Lee, 2011; McIntosh & Zahra, 2008; Omoto & Snyder, 1993; Tewksbury & Dabney, 2004);

In addition, these new groups of motivations are located into the giving domain, on the right side of the diagram (see Figure 1 above). In general, Figure 1 illustrates two domains of motivations: (a) taking/receiving, to represent motivations in the three of fields – tourism, volunteerism, and volunteer tourism, and (b) giving, to represent motivations in volunteerism and volunteer tourism.

3. RESEARCH METHODOLOGY

The objectives of this study is to explore and confirm motivations of volunteer tourists, potential volunteer tourists, tourists, and volunteers to be involved in volunteer tourism. The qualitative data were collected between July and September 2011 through focus groups, in-depth interviews, and online interviews with 33 participants in total (one respondent participated both in a focus group and an in-depth interview). These data collection were conducted in Perth, Western Australia.

Findings of the qualitative study were formulated to be items in the quantitative study instrument along with motivation items tested and validated by prior researchers. These items

were taken from tourism, volunteerism, and volunteer tourism studies that were adopted and adapted, included items taken from existing literature in tourism, volunteerism, and volunteer tourism. Respondents were asked to assess their motivations using a seven-point Likert scale: 1 for extremely unimportant through to 7 for extremely important.

To test the questionnaire, a pilot study was conducted within the first week of March 2012 involving 81 participants. Based on the results, some items were deleted, modified, and added. Further, the main survey involved 542 respondents across nations and nationalities, conducted in Perth, Western Australia, from March to May 2013. Both the pilot and main studies were conducted using Qualtrics online survey service.

The first step of data analysis is to factor analyse the quantitative data using SPSS to obtain factors or dimensions. Further, each factor is analysed applying structural equation modelling to confirm items used in every construct of factors. The rules of thumbs of good fit indices are shown on Table 2.

Table 1 Rules of thumb for a fit measure (adapted from Coote, 2012; Holmes-Smith, 2010)

Fit measure	Good fit indices	Authors
X ² or CMIN	$0 \leq X^2 \leq 2.00$	Tabachnick & Fidell, 2007
	$0 \leq X^2 \leq 3.00$	Carmine & McIver, 1981
P	$0.05 < P \leq 1.00$	Schermelleh-Engel, Moosbrugger, & Muller (2003)
X ² /DF	$0 \leq X^2/DF \leq 2.00$	Tabachnick & Fidell, 2007
	$0 \leq X^2/DF \leq 5.00$	Carmin & McIrvan,
TLI or NNFI	$0.97 \leq TLI \leq 1.00$	Bentler and Bonnet, 1980
	$0.95 \leq TLI \leq 1.00$	Hu & Bentler (1995)
CFI	$0.97 \leq CFI \leq 1.00$	Bentler, 1990
	$0.95 \leq CFI \leq 1.00$	Hu & Bentler (1995)
GFI	$0.95 \leq GFI \leq 1.00$	Miles & Shevlin, 1998
RMSEA	$0 \leq RMSEA \leq 0.05$	Browne & Cudeck (1992)
	$0 \leq RMSEA \leq 0.06$	Hu & Bentler (1999)

4. RESULTS

4.1. Qualitative study findings

Based on the results, participants of the qualitative study indicated: Male (22 persons) and female (20 persons); Australians (12 persons), Chinese (6 persons), Malaysian (2 persons), Thai (2 persons), Indonesians (6 persons), Indians (1 person), British (1 person), Chinese

Hong Kong (1 person), and Ghanaian (1 person); under 40 years old (16 persons) and over 40 years old (16).

Further, the qualitative study resulted four categories of motivations: taking/receiving, giving, taking/receiving and giving, and religious motivations.

(a) Taking/receiving motivation includes:

- To experience adventuring, great time, great activities.
- I'll have a chance to see a different country, a different place, and culture.
- I'd like to see more of my Australia because I feel that there are some places that we speak about and we read about but I actually want to put my feet there and say this is beautiful.
- I like the feel of East Africa.
- I've always had a passion for elephants. I chose [an elephant conservation] because it was a hands-on experience.
- I decided to join to this event [VT] since I realised that I shared the same vision and mission with 1N3B [a traveller organisation].

(b) Giving motivation includes:

- I've always wanted to do a kind of payback; I want to give back to the society; to give to other people.
- I want to help someone; [to] help others; I feel that I'd love to be able to help other people; I'm always interested in helping; to help somebody who is in a difficult situation
- I want to be able to give something to other people.
- I think it's my desire to reach people that don't have to make their lives better for them.
- I want to contribute to the society.
- I'm very skilled. I have a lot of knowledge in that area and I'm very happy to share.
- I can give you my time. I can give you my expertise in my area, and I'm willing to do whatever you want me to do.
- It's my nature to want to be able to share some of that with people who are less fortunate.
- We wanted to follow up on what we had done the previous year.
- The price was reasonable and they provide the accommodation and the meals.

(c) Taking/receiving and giving (TRG) motivations include:

- I try to make the world a better place for one person and that will make me a better person.
- It's a two way learning: I learn from them and they learn from me.
- I have something that they need and they have something that I need.
- We help each other to give each other what we need.
- When I help someone, I also learn something from them.
- I like to learn from people and I like people to learn from what I know.

(d) Religious motivation includes:

- I'd love to do missions.
- I feel that I'm being called forward to do it; I think it was something that we felt that God was calling us to do at that time; I felt a real Christian call and we were called from God to that.
- It is very much related to what we believe; the major motivation is our faith.

Furthermore, some of these findings were considered to be used in developing the quantitative survey instrument along with other items taken from prior studies in tourism, volunteerism, and volunteer tourism.

4.2. Quantitative study findings

4.2.1. Exploratory factor analysis

The survey was conducted in Australia, using Qualtrics online service. This study attracted 542 participants, consisted of male (268 persons) and female (274 persons); 41 and under 41 years old (331 persons) and over 41 years old (211 persons).

An exploratory factor analysis produces five factors and each factor has Cronbach's alpha value greater than 0.9 – unless for the social interaction motivation of 0.89 – indicating that their internal consistency was excellent. The first factor is physiological motivation with Cronbach's alpha of 0.92. It consists of ten items and explains 42% of the variance within the data. The second factor is public service motivation with Cronbach's alpha of 0.92. This factor has six items, explains an additional 14% of the variance. The third factor is religious motivation. This factor retains three items and explained an additional 7% of the variance

with a Cronbach's alpha of 0.93. Further, the fourth factor is social interaction motivation. This factor has six items and explained further 5% of the variance, with a Cronbach's alpha of 0.97. The last factor is environmental motivation, with three items. This factor explained 4% of the variance, with a Cronbach's alpha of 0.90.

Table 2-Exploratory factor analysis of motivation

	Items	Factor loadings				
		1	2	3	4	5
	Physiological motivation					
M6	Volunteer tourism would allow me to get away from the usual demands of life.	0.94				
M5	Volunteer tourism would allow me to get away from everyday physical stress/pressure	0.92				
M9	Volunteer tourism would allow me not to worry about time.	0.80				
M14	Volunteer tourism would allow me to be away from my daily routine.	0.77				
M42	Volunteer tourism would allow me to get away from everyday psychological stress/pressure.	0.74				
M4	Volunteer tourism would keep me busy.	0.63				
M3	Volunteer tourism would allow me to give my mind a rest.	0.62				
M38	Volunteer tourism would allow me to rest and relax.	0.59				
M10	By involving myself in volunteer tourism, I would feel less lonely.	0.53				
M28	<i>I would be doing things my own way.*</i>	0.40				
	Cronbach's alpha	0.92				
	% variance explained	41.89				
	Public service motivation					
M41	Volunteer tourism would allow me to give something back to a community.		-0.86			
M39	Volunteer tourism would allow me to make a difference.		-0.86			
M35	Volunteer tourism would allow me to help a community.		-0.83			
M40	Volunteer tourism would allow me to help an organisation.		-0.80			
M32	Volunteer tourism would allow me to help a project.		-0.77			
M31	Volunteer tourism would allow me to support an organisation that has a similar mission to me.		-0.58			
	Cronbach's alpha		0.92			
	% variance explained		13.76			
	Religious motivation					
M34	I have a desire to share my religious values.			0.94		
M36	It's God's expectation of me.			0.93		
M24	Volunteer tourism would allow me to fulfil my religious obligation.			0.89		
	Cronbach's alpha			0.93		
	% variance explained			6.76		
	Social interaction motivation					
M27	I look forward to the social contacts that volunteer tourism affords me.				-0.91	
M15	The social opportunities provided by volunteer tourism are important to me.				-0.83	
M17	Volunteer tourism would be a way to build my social networks.				-0.82	
M7	Volunteer tourism would provide a way for me to make new friends.				-0.69	
M30	Volunteer tourism would allow me to learn how to deal with a variety of people.				-0.54	

M18	Volunteer tourism would be a feel-good experience for me.*				-0.45	
	Cronbach's alpha				0.89	
	% variance explained				4.54	
M29	Environmental motivation I have a concern for the environment.					0.94
M33	Volunteer tourism would allow me to help the environment.					0.85
M23	Volunteer tourism would allow me to do something for an environmental cause that is important to me.					0.83
	Cronbach's alpha					0.90
	% variance explained					4.04

*The item 'I would be doing things my own way' does not fit with other items of the physiological motivation dimension. Also, the item 'Volunteer tourism would be a feel-good experience for me' does not fit other items of the social interaction motivation dimension. For this reason, these two items are not included in further analysis.

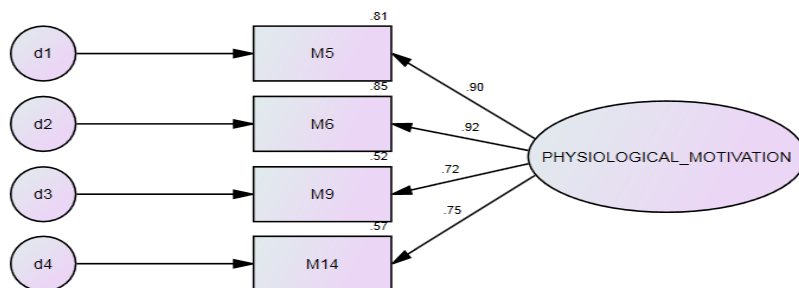
4.2.2. Confirmatory factor analysis

4.2.1. First order construct

The confirmatory factor analysis examines the five factors (physiological, public service, religious, social interaction, and environmental) of motivation. Each factor is measured individually.

a) Physiological motivation

The physiological motivation retains four items: M5, M6, M9, and M14. This construct indicates that it had a good fitting model with a chi-square of 4.72 and probability of 0.10. Other indices, for instance, TLI, CFI, RMSEA, and GFI (0.99, 1.00, 0.05, and 1.00), indicate that this construct is a good fitted model (see Figure 2).



Criterion	CMIN	DF	P	CMIN/DF	TLI	CFI	RMSEA	GFI
Result	4.72	2	0.10	2.36	0.99	1.00	0.05	1.00
Cut-off			> 0.05	< 3.0	> 0.95	> 0.95	≤ 0.05	> 0.95

Figure 2-The congeneric model of physiological motivation factor

b) Public service motivation

The construct of public service motivation retains four items: M41, M39, M35, and M40, and it shows a good fitted model with chi-square of 0.04 and probability of 0.88. All indices has really good great values for each criterion, with TLI of 1.00, CFI of 1.00, RMSEA of 0.00, and GFI of 1.00 (see Figure 3).

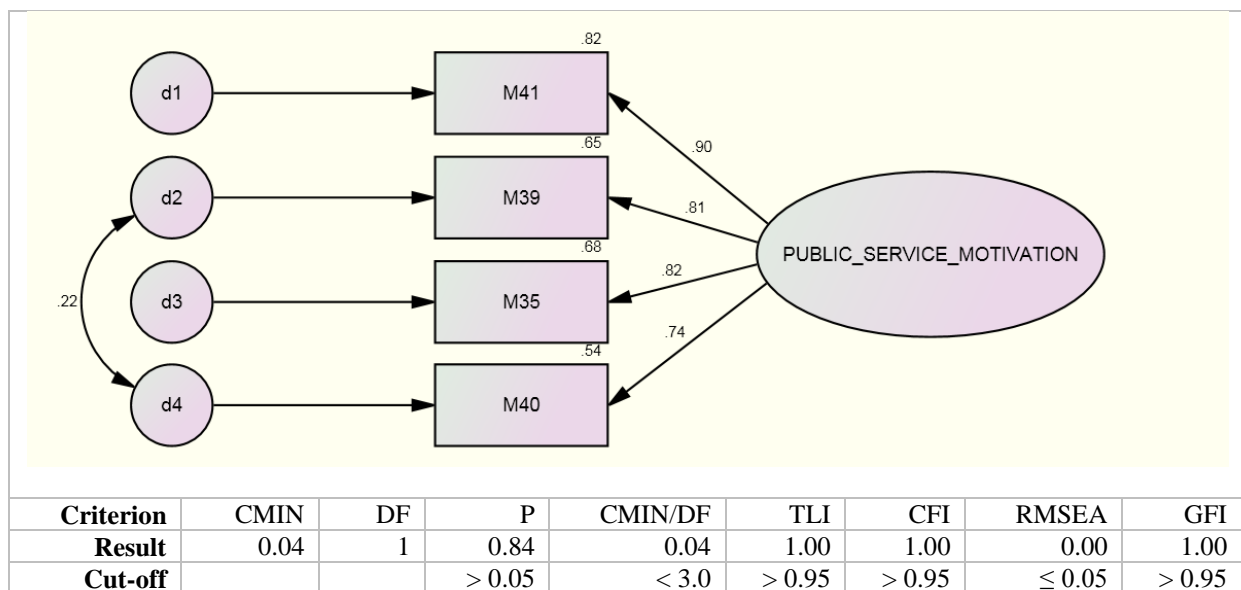


Figure 3-The congeneric model of public service motivation factor

c) Religious motivation

The religious motivation construct is measured by three items, including M24, M34, and M36. This good fitted model has TLI of 1.00, CFI of 0.999, RMSEA of 0.05, and GFI of 1.00 (see Figure 4).

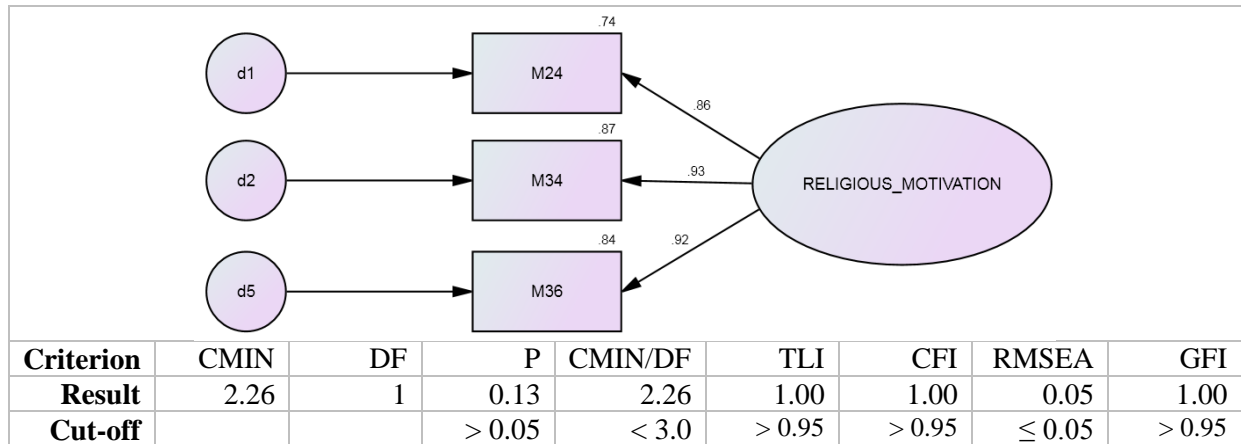


Figure 4-The congeneric model of religious motivation factor

d) Social interaction

The social interaction motivation construct is measured by five items (M7, M15, M17, M27, and M30), with chi-square of 4.71 and probability of 0.45. This construct shows that it is the best fitted model with TLI of 1.00, CFI of 1.00, RMSEA of 0.00, and GFI of 1.00 (see Figure 5).

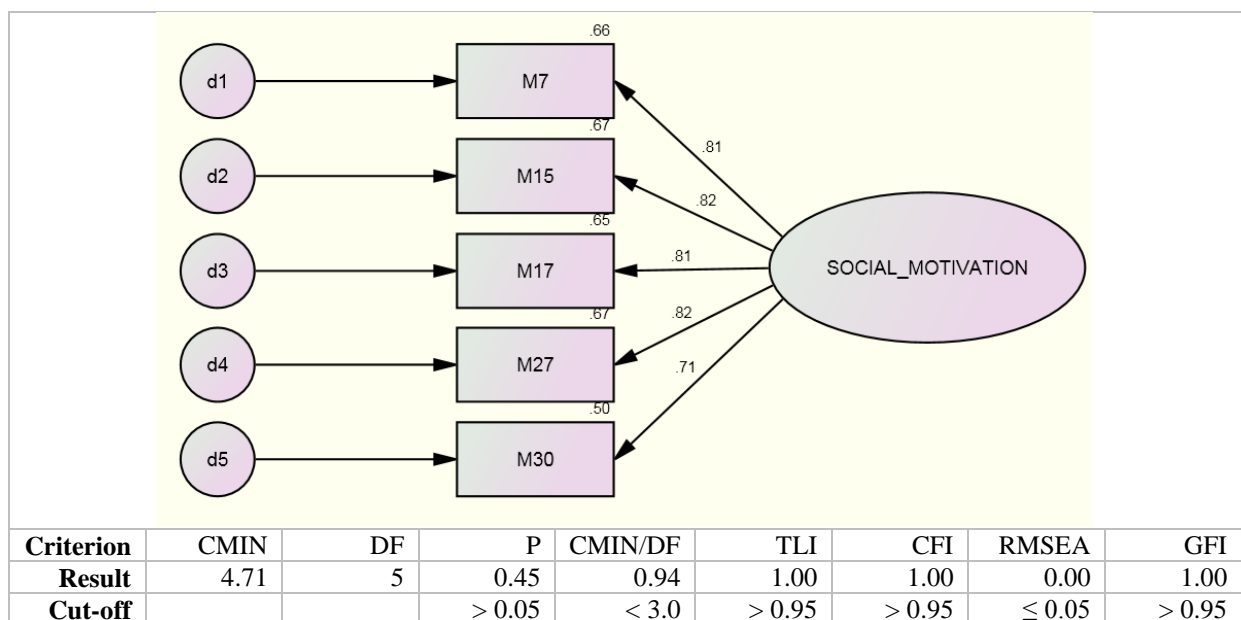


Figure 5-The congeneric model of social interaction motivation factor

e) Environmental motivation

The environmental motivation construct is measured using three items: M23, M29, and M33. This construct has chi-square of 6.36 and probability of 0.01 and shows a good fitted model with TLI of 0.99, CFI of 1.00, and GFI of 0.99 (see Figure 6). In this model, an RMSEA of 0.10 is greater than the values expected. As other values of good fit are acceptable it is decided to proceed with caution with this construct.

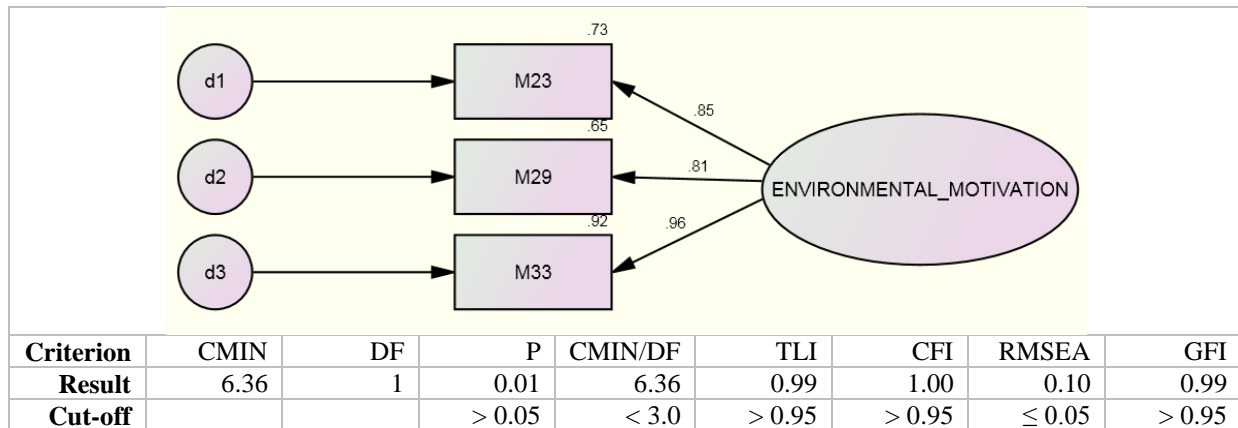


Figure 6-The congeneric model of environmental motivation factor

4.2.2. Second order construct

There are two steps in examining the five motivational factors (physiological, public service, religious, social interaction, and environmental). The first step is to put all factors in a single second order construct. Apparently, this test is not successful as it had a chi-square of 47.17 and probability of 0.01. The second step to examine all motivational factors by categorising into two groups: “taking”, for physiological and social interaction motivations, and “giving”, for public service and environmental motivations. After a few times of attempt, religious motivation is included in the taking motivation.

Figure 7 below is the second order of taking motivation model that shows a good fitting model with chi-square of 22.39 and probability of 0.17. Other indices also have very good marks: TLI of 1.00, CFI of 1.00, RMSEA of 0.02, and GFI of 0.99.

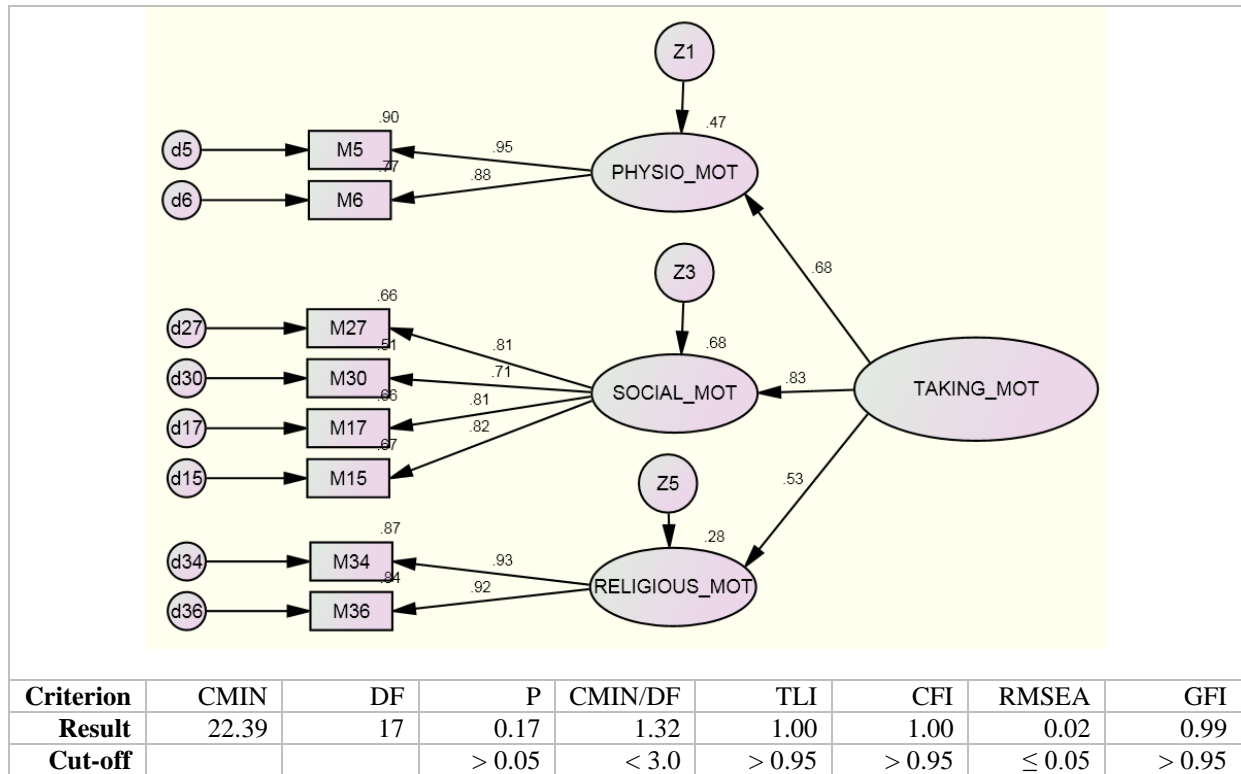


Figure 7-The second order of taking motivation variable

Figure 8 below illustrates the second order of giving motivation model which indicates a good fitting model with a chi-square of 1.87 and probability of 0.07. Other indices also indicates very good values, include TLI of 0.99, CFI of 1.00, RMSEA of 0.04, and GFI of 0.99.

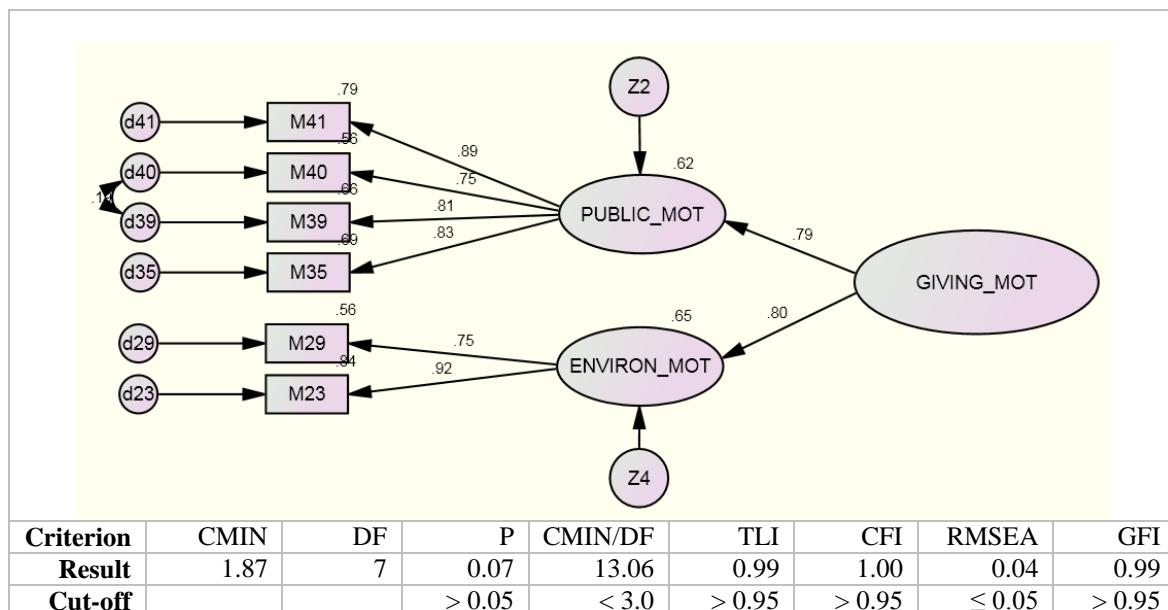


Figure 8-The second order of giving motivation variable

5. CONCLUSION AND RECOMMENDATION

Using a mixed-methods approach, this study is aimed to explore and confirm motivations in volunteer tourism. In many studies, including tourism and volunteerism, motivation is considered as a variable. This study proves that motivation can be separated into two different variables: taking/receiving motivation and giving motivation variables.

From the qualitative study, motivations in volunteer tourism contain taking/receiving, giving, taking/receiving and giving, and religious motivations. Some of the results are included in the quantitative instrument, along with indicators taken from existing literature in tourism, volunteerism, and volunteer tourism. Further, the data were factor analysed.

Results of factor analysis include physiological, social interaction, religious, public service, and environmental motivations. Moreover, these factors are tested using structural equation model. As a result, two variables of motivations are confirmed. Three dimensions – physiological, social interaction and religious motivations – are under taking/receiving motivation variable; and two dimensions – public service and environmental motivations – are under giving motivation variable.

The author recommends for future research to apply TRG concept to examine motivations in different fields of study, for example, volunteerism, education, and entrepreneurship. Another recommendation is to test TRG to predict intention by embedding it with Theory of Reasoned Action, Theory of Planned Behaviour, or Technology Acceptance Model.

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[03]

TOURISM FOR WELFARE, TRANSFORMATION & SPIRITUAL DEVELOPMENT

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Abstract

Awareness practices like yoga-spirituality-meditation-wellness & alternative lifestyle have the power to change the complete course of tourism in today's world from pleasure seeking approach to transformational approach towards the best utilization of human opportunity and potential through universal code of ethics, morality and sustainability. Global Vipassana Pagoda (GVP) in Mumbai attracts the tourists – being the world's largest pillar-less stone dome where Buddha's relics are enshrined. The operations module is worth studying as it involves Social Welfare, Travel Philanthropy, Conservation, Sustainable Eco-Friendliness, Voluntourism and more importantly living harmoniously in tune with laws of nature i.e. dharma or dhamma. It is worth mentioning that this huge monument has been constructed and is operating only on voluntary donations and there is no entry charge for any visitors. It is worthy of study on account of its non-commercial spiritual orientation. It could be the first consciousness based approach of tourism management in practice. This can also suggest that "Awareness & Ethical Living" can be most precious recreational involvement for those who wish to work for themselves and the society in a more harmonious manner. GVP is a living example of how tourists on one hand "WOW" their senses by appreciating the grandeur and architectural features of the monument and on the other hand, getting inspired in learning the life transforming meditation technique that has a potential not only to make them happier and equanimous but also to lead them on the most worthy path of greatest satisfaction & self-realization.

Keywords: *spiritual tourism, voluntourism, travel philanthropy, vipassana meditation,*

01. INTRODUCTION

1. A. Background and Scope of the Study/Context

The study is sought to bring the attention of tourism research fraternity to the incorporation of spiritual or awareness trainings through tourism activities. This consciousness & awareness based approach is intended to bring a positive change in the tourism sector that could help solve the current problems of the sector.

1. A. Problem & Need

Theobald (2004) & Wilson (2011) brought out many scrutinized, reflected problems of tourism like overcrowding of tourist attractions; overuse and destruction of natural resources; resident– host conflicts; loss of cultural heritage; increased crime and prostitution; inflation and escalating land costs; excessive materialism; stress; global warming; poverty; terrorism; a lack of personal time and purpose in life; isolation; rising fuel prices; and a host of other political, socio-cultural, economic and environmental problems. This contribution also showed path as to where and how to question & bring the required transformations for existing tourism problems. Wilson (2011) has further quoted that unwholesome emotions like greed, miserliness, and jealousy can also be detrimental and can lead to human suffering. Also conceptions of the world and life established on these traits can lead the individuals and societies in a failed state because they cannot satisfy the requirements of the individuals & society in a holistic manner.

Above mentioned problems could be summarized as consumerism based partial gains within the sector due to the absence of a holistic view in relation to development. This happens due to lack of emphasis on ethics and right psychological frame in the conventional tourism educational system. It caters more to greed; than to the need based harmony. This calls for an ardent need to create an educational setup through tourism activities which will influence the minds of the tourists/visitors and transform the current scenario to reach a point of global peace, happiness, mutual benefit and harmony.

1. B. In Support of the Need

Francesco Frangialli-Former-Secretary-General, World Tourism Organization emphasized that there is a greater need to plan carefully where human (society) and environment impacts too should be taken into consideration for the overall (holistic) development of tourism

sector.

UNWTO's Current Secretary-General, Taleb Rifai believes in the tradition of his predecessor that tourism can be most effective tools to promote mutual understanding, tolerance and peace.

Minister of Industry, Energy and Tourism of Spain, José Manuel Soria López expressed his hope for the recognition of the tourism sector's crucial economic and social contribution and the importance of renewable energy for social, economic and environmental sustainability.

L'Etang et al (2006) emphasized on better utilization of tourism phenomena to meet greater goals based on the fact that tourism has a massive social, political and environmental impact on global, national and local arenas. This immediately raises relevance for the tourism industry in relation to community and social responsibility.

1. C. Problem Solving

All external human influenced realities are first born in mind. Therefore, it becomes even more necessary to give right content and culture to educate the mind so that it manifests right realities. Bourdieu (1986) hinted to the same idea on the inculcation of right education by mentioning that domestic transmission of cultural capital (ethics and right conditioning) is the best investment for a society.

Wilson (2011) also advocated "Simple living & high thinking" and how it brings major transformation in people's values, social movements and consumption patterns. This type of lifestyle helps one realize one's higher human potential (spiritually and psychologically).

The prevalent arguments pave a path to the further thought that if tourism policies, research and phenomenon-all encompass socially benefitting applicable values and mission of harmony, peace and holistic development; it is possible for tourism itself to act as a global mode for positive social transformation for leading happier and healthier lives. The conventional industry approaches are inadequate in addressing the needs of transformation & holistic development through tourism and the current case study paves a path for futuristic incorporations in the tourism operations & development.

The next question arises as to what type of information and interventions in tourism can incorporate socially benefitting values and mission for harmonious, peaceful, happier and

holistic development....

Filep (2009) recommended that future studies should be conducted in the field of positive psychology in tourism. Ambrož & Ovsenik's (2011) informed about the new trend that post-modern tourists are very much focused around the self and the growth of self-awareness. To collate the global (macro-level) need and micro-level need of the post-modern individual tourists, the flow prompted to incorporate the remedial suggestions of Wilson (2011) where he offers spirituality & awareness as a means to reach the goal. This view suggests that spiritually inclined individuals are enthusiastically interested and dedicated to betterment in life due to their connection with a number of positive emotional states, including feeling satisfied, less worried, a sense of inner peace, love, hope, joy, optimism, compassion, forgiveness and strive for purity and 'doing right things' such as holding and acting upon strong values, morals, ethics, and care for other people, animals, future generations and nature.

Wilson (2011) brought out the findings of earlier studies which suggested that spirituality empowers professionals to be trustworthy, honest and to have a strong conscience-devoid of greed; to enhance their wish to produce products and services that will benefit all. They often participate in voluntary activities for the social betterment.

This also resonated well with the viewpoint shared by Breslin et al (2006), who proposed that spiritual interventions including meditations and mindfulness trainings prepare participants for a positive and healthier living. Callister et al (2004) were thoughtful of spiritual education's interventions that catered to deeper spiritual and humanistic needs of the patients.

There are many types of meditations and mindfulness trainings but some are embedded in belief systems which might not be universally acceptable. Lewis' (2000) emphasized that spiritual education in a modern secular state is required. The education of spiritual awareness is held to be an aim of education for all people, and is decisive for any formation of good educational practice.

Hay and Socha (2005) concluded that spirituality is natural and universal and thus it cannot only be related to members of culturally specific religions. Rogers (2007) summarized many important concepts on foundation of spiritual tourism thus shaping the suitability of the current study. She mentioned about the changing concept of spirituality in post modern society, decline of allegiance to religious doctrine, movement towards development of the

self and interconnectedness with the earth's ecology & impact spiritual capital has in the work, social and family communities of travelers. Her views were harbored at International Institute for Promotion of Peace through Tourism (IIPT) where D' Amore (2012) propagated the view that 'Every traveller is potentially an 'Ambassador for Peace'.

Smith & Kelly (2006) emphasized the need of an alternative space where one can observe oneself without the stresses and distractions of a routine life.

Wilson (2011) laid his views in the support that one's spiritual nature manifests through one's values, morals, ethics and actions, and is at the focal point for one's well-being. Well-being and spirituality are directly proportional in existence. His recommendation encourage having future studies into role of tourism in developing spirituality.

"Vipassana meditation as taught by S N Goenka in the tradition of Sayagyi U Ba Khin" happened to satisfy the clearances of the above stated requirements, such as-being non-sectarian, universal, love and compassion (positive psychology) based for all species, respecting earth's interconnectedness and harmony along with the provision of being taught in an alternative space (to facilitate complete dissociation from the normal routines in retreat's complete silence). Also Barbara L. Easterlin and Etzel Carde's (1998) study on Vipassana Meditators, reported greater self-awareness, positive mood, and acceptance. Haq & Jackson (2006) concluded that there is a need to assess and analyse the effects of spiritual tourism on personal and social consequences. Teachings in Vipassana courses coincide with Grayling's (2003) conceptualization of spirituality that points towards nature and natural laws hence these reasons seem encouraging to study the operating cycle and module of Global Vipassana Pagoda, a monument & a destination in Mumbai that stretches the definition of tourism into lesser heard domains of social welfare, travel philanthropy, conservation, sustainable eco-friendliness, voluntourism and more importantly living harmoniously in tune with laws of nature.

The participants (students as well as serving volunteers) in the ten day residential Vipassana meditation courses as well as some Vipassana Information Ambassadors (Volunteers) at Global Vipassana Pagoda qualify to be called "tourists" because as per UNWTO's definition, *"Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors. A visitor (domestic, inbound*

or outbound) is classified as a tourist (or overnight visitor), if his/her trip includes an overnight stay.”

The operational module of Global Vipassana Pagoda is considered for study because it is a reflection on how tourism interventions – firstly as visitors at Global Vipassana Pagoda and secondly as residential students (tourists) at vipassana meditation centers is facilitating an effective transformation. It is noteworthy that through these types of retreat or spiritual tourism engagements the participants display desirable traits like responsibility, welfare motive and development of stronger ethics or value system which leads to harmony and sustainable growth.

02. METHOD

Background:

Human Resource Development & Management are the highest contributing factors in this non-commercial tourism phenomenon and operations module. In the Global Vipassana Pagoda premises, the main Global Vipassana Pagoda is the monument for tourist attraction, which facilitates public awareness about the meditation retreats and the benefits of meditation and holistic (spiritual) lifestyle. Old & already benefitted vipassana meditation students, who are good at communication skills; volunteer to educate the visitors about meditation courses and its benefits. Short courses in a breath awareness technique are also conducted-free of all charges; for the visitors to participate and get inspired to try longer courses. There is a residential vipassana meditation course center in the premises where the students and servers both reside in retreat surroundings (as tourists) to derive benefits and witness positive transformations. There is a food court that serves vegetarian, non-alcoholic, intoxicant-free, hygienic and reasonable priced food & beverages to visitors such that their consumption does not harm anyone or even the consumers.

The Books and Souvenir shop sells items that have positive contribution to welfare and knowledge sharing. A research institute that runs certificate courses with the aim of spreading the theoretical awareness about the methodology to come out from sufferings. International researchers & students from many countries participate in 3 month residential courses which stand out in the domain of research & educational tourism. These international students are not charged any fees; neither for the lessons nor for lodging-boardings.

How is it done?

Requirement of information volunteers at Global Vipassana Pagoda-a destination is published in the newsletter that has a good circulation among the old meditators. E-mail ids and contact details of the old 10-day Vipassana course students are obtained from the centers' database. E-mails are sent to the e-mail ids of the Mumbai based old students informing them about this opportunity to volunteer as a "Dhamma Ambassador" at Global Vipassana Pagoda wherein they have to commit six hours in a month in a pre-decided slot -when they would come to the monument to guide and serve as Vipassana & Pagoda information volunteers. Out of these six hours of volunteering, four and half hours is service as information server, facilitator of short breath awareness courses and a destination guide. One hour of meditation is compulsory during these six hours of commitment, as it helps the volunteers to serve with equanimity & positive state of mind; that visitors might like to obtain after observing them. Those volunteers, who wish, can claim travel re-imbursments from within the city. Food during the volunteering period is provided to all free of cost. Special training & study material is provided to become aware about the inner state of mind so that visitor interaction commences not only with positive words but also welfare oriented thoughts. This naturally gets reflected in the non-verbal communication like body language, facial expressions and gestures so as to make visitors feel genuinely welcome.

Volunteers have guidelines to follow a standard script in a specific time after the initial greeting and ice-breaking efforts to reach out the visitors as a self-initiative. This script is to ensure that personal opinions and background do not influence the pattern and content of information dissemination. After the information, visitors are offered to learn the preliminary awareness technique called "Anapana Sati" which is based on the observation of natural respiration (breath). There are no charges to learn this technique and the sessions are facilitated with the sole intention of benefitting the visitors. The duration of the session is 30 minutes and is open to all willing visitors. After the "Awareness Technique's Introduction (Anapana Sati) session", free information pamphlets are distributed to the visitors so that they could visit the websites for contact details and procedures so as to get benefitted by vipassana's residential courses or children/ teenager courses. The visitors are informed about different places to see at the site so that they acquire the best possible information and utilize it for deriving long lasting benefits.

Many of the visitors feel inspired by this tourism phenomenon and participate in the ten day

Vipassana meditation retreats. After the course, they feel grateful towards all those who served to facilitate their journey on the path of self-awareness and freedom from mental sufferings. Many visitors after completing their ten day residential vipassana course, return as volunteers at Global Vipassana Pagoda so that more people could be benefitted by their volunteering activity.

In this way, the cycle of goodwill and gratitude continues and spreads thereby benefitting the larger population. The one day mega meditation courses like events, where thousands participate from all parts of the world are also operated through volunteering activities. Old meditators donate their resources in kind, cash and time to make these events a great success.

Social Welfare: The founding principles of Global Vipassana Foundation are “Being in a state of gratitude to those who have helped us” and in return “continuing to help others who have not received the help”.

There is no entry fee for any tourists/visitors to visit and learn. Pamphlets, counseling, information guidance and study material or assistance is offered free to all visitors who come from varied background. There are 30 minutes of Anapana Awareness Technique Courses for visitors at Global Vipassana Pagoda which are facilitated by the team of volunteers so that the tourists/ visitors feel peaceful and inspired to feel the greater benefits through the participation in the ten day residential courses.

The developments, operational as well as maintenance costs are all free gifts (without any selfish intentions) -from old meditators who have been benefitted by the awareness technique. Even registration assistance and participation in the 10 day meditation courses is never charged which includes free boarding, lodging, lessons and facilities to be able to practice effectively.

Global Vipassana Foundation is a not for profit-charitable organization where it intends to spread awareness about positive results of vipassana meditation in the life of around a million participants.

Travel Philanthropy: Donations are not asked from anyone at the course centers. The old students who have found their lives transformed donate back to the centers so that more new people (tourists) or course participants could be benefitted.

Voluntourism: Benefitters become the benefactors here and continue the noble cycle of

building a positive module of sharing and developing the community.

Educational Tourism: Participants are educated and transformed through educational inputs.

Conservation: Vipassana meditation centers are founded and replicated on the lifestyle and functioning patterns of monasteries where only basic food and accommodation facilities are met so that the participating tourists or students focus more on the lessons and practice. There is no source of income other than voluntary donations that too only from people who have been benefitted from the experience in the past. Fund raising is not permitted and this strengthens the emphasis on conservative practices in all respects. The facilities are provided with no intention of pleasing the senses but rather with an objective of breaking the habit patterns that stop us from being happy and equanimous at all times. There is no source of entertainment or engagement like television, internet, phones or external communication. Personal requests of extravagance, likes and preferences are not encouraged unless they are a necessity on account of health or specific reason.

Disciplined & Responsible Tourism: No type of animal killing or tree felling is permitted at the meditation centers all over the world. Meat consumption or use of intoxicants/ tobacco/ alcohol is strictly forbidden. All visitors and participants have to abide by a strict code of discipline that engages in an informed commitment that they shall not steal or tell a lie, nor would commit sexual misconduct or kill/hurt a living being. These precepts (commitments) prepares one to lead an ecologically & morally responsible life and thereby protects one from engaging in actions that lead to disharmony in nature and mind. The participants are coached to stray away from unwholesome thoughts and actions and are encouraged to adopt habits that lead to holistic development of all. (Others and their own)

Sustainable Eco-friendliness: Natural surroundings, greenery and non-polluted surroundings provide all the nourishment to one's development in tune with laws of nature. Attempts are made for plantations, greener landscapes, water harvesting and optimum utilization of resources such as water and electricity. The engagement at the meditation centers or Vipassana movement is not monetarily rewarding yet the volunteers and associates have been associated for more than four decades. This suggests that inspite of non-commercial set-up, the operations and development is not only self-sustaining but rather widening the reach of its benefits to more than 1 million people through 170 centers located in 95 countries, by 1200 volunteering teachers in more than 59 languages.

03. CONCLUSION

Significant irregularities and imbalances have been observed with the growth of tourism sector. There have been continuous efforts by many to address these issues so that human kind could dream of a “Tourism” which develops on holistic principles. These founding holistic principles could facilitate overall development without disturbing the peace and harmony in microcosm (an individual participant in the tourism phenomena) as well as macrocosm (environment and globe).

It is noteworthy that the disciplines of modern era including tourism, developed on the foundation of perceivable external gains. These founding principles undoubtedly resulted in material success and comfortable lifestyle. With passing times, there was a realization that tourism sector and human wisdom could be enriched and enhanced further-by incorporation of introverted wisdom. This could provide an inherent awareness-based approach with the harmonious development of intrinsic qualities within an individual that in turn would percolate in the society and the tourism industry.

The current case study offers a universally applicable, non-sectarian, time-tested & effective intervention that has been an able instrument in bringing out positive transformations in human approach-through the life enriching phenomena of tourism.

The study also brings into light-the essential spiritual dimension in human development with special reference to tourism. It also brings forth the clarified concept of spirituality and dharma (dhamma) which not necessarily imply to the social framework of religious or belief systems and mental conditionings. The concept focuses on the universal appeal of certain desirable inherent qualities in humans that call for unconditional & true appreciation from all over. Fortification of these qualities raises a hope for betterment in future.

The conventional approach to tourism as an industry has developed on the principles of indulgence in pleasant surroundings and consumerism. In the conventional approach of tourism, the participants or tourists are self-centric and the natural, human and all other resources are basically utilized to please and gratify the desires-that yield & translate into a favorable tourist experience. These desires might not be necessarily wholesome in nature and this happens to be the core reason for imbalances in tourism.

This case study brings forth a selflessness imbibed module which is based on getting to the

root of desires that are a driving force for tourism as well as other life's functioning.

To a perceivers' astonishment, this module has also passed the test of times thereby establishing the functionality and effectiveness for more than past four decades. Today this has been successfully implemented globally in more than 170 destinations located in more than ninety-five countries in more than fifty-nine human languages.

The current case study also witnesses & informs about the striking contrasting features between conventional tourism practices based on commercial gains as against the philanthropic and welfare type of retreat tourism which is based on the principles of giving and responsibility.

Modules like the current case study are a rare occurrence wherein many progressive practices in tourism seem converging at one place. Successful educational tourism, travel philanthropy & voluntourism are directly witnessed through this module while the post-intervention experience motivates the participants to adopt sustainable and responsible methods of life. This study is aimed to suggest the tourism fraternity, to be more open and accepting in recognizing non-conventional and noncommercial types of tourism that could ultimately facilitate effective social transformation and man making processes within the tourism industry.

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[04]

DETERMINANTS OF LEVEL OF INNOVATION AND ITS IMPACT ON BUSINESS PERFORMANCE; EMPIRICAL EVIDENCE FORM HOTEL INDUSTRY OF SRI LANKA

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Abstract

Strategic Management (SM) is of pivotal for a sustainable growth of any firm. New innovations in all related areas of the business operations are of imperative predominantly, for hotel industry with the fierce competition. The present study strives to explore the relationship between these two critical areas namely, level of innovation facilitated in the business strategy and the business performance. The theoretical positioning is based on the resources and capability based analysis within the field of strategic management. Key management personnel of all major hotel management companies and all the five star hotels in Sri Lanka were surveyed online for this study and descriptive analysis, correlation and regression were employed to analyses the primary data. Out of the total twenty dimensions in the SM process sixteen impacts on positively on the business performance of Sri Lankan hotels. The impact of external factors over the level of innovation found to be weak and out of six dimensions of this construct only two were positively associated and four were negative. The following dimensions having high positive correlation with level of innovation; Corporate support for creativity, Adoption of measures to overcome barriers to innovation, Degree of development of quality management, Objectives of increased productivity, and Degree of sophistication in information systems illustrate practical implications to the sector. Nevertheless the dimensions related to external need to improve for effective contribution to the level of innovation and consequently the business performance as the findings of the study suggest.

Key words: *Strategic management, innovation, hotel industry performance, regression*

01. INTRODUCTION

Innovation has been playing a crucial role in terms of strategic management in many industries and this is no exception to hotel industry which being intensively globalized in Sri Lankan context. Irrespective of this fact, however, there are very few studies which analyse innovative activity in the hotel industry, in general, and in the tourism industry in particular given that the ability to measure the benefits of innovations is somewhat complicated (Chan and Louveris 2004). Concentrating on the tourism industry, there is little empirical evidence of innovative activity due to the lack of existing data since few surveys on innovation have been carried out (O'Connor and Frew 2003). Innovation in the hotel industry has been observed and undergone to many researches in terms of ICT and Quality management at large. Moreover, in the international context this phenomenon has been in frequent research. However, the Sri Lankan hotel sector is yet to be observed in the aforementioned context to understand better the role of innovations and its impacts on the performance of the industry. This paper basically, trying to fill this gap while providing some insights into the subject area. The hotel industry was chosen for this study because tourism is an important and extremely competitive sector, which is characterized by continuous transformation. Therefore, we may argue that competitiveness in tourism is particularly dependent on innovation for achieving lower costs and higher quality outputs (Jacob et al, 2008). Sustainable strategic management of sustainable competitive advantage have become key focuses of any industry in the current years in order to remain in the business competitively and innovations are part and partial of such exercises on business firms. Moreover, innovations have become imperative predominantly, for hotel industry with the fierce competition (Orfila, et al (2005). The present study strives to explore the relationship between these two critical areas namely, level of innovation facilitated in the business strategy and the business performance. The aim of this paper is to analyse the relationship between innovation and profits in the Spanish tourism industry, the key factors being variables such as the specialization of the tourism industry and the diversity of economic activity in a destination. Nevertheless, tourism firms are the last agents to decide whether to innovate, and as such, it is interesting to study how innovations affect tourism firms' profitability (Ottenbacher, 2007). It would seem reasonable to assume that if the innovative activity of a firm is reflected in the profits obtained, then the greater the capacity to internalise the profits made from innovation, the greater the incentive within the firm to

innovate. Therefore, this paper tries to test the model created by Antonio and Alfonso, 2012 through a series of hypotheses in the context of Sri Lankan Hotel industry.

02. THEORETICAL BACKGROUND

The theoretical positioning for the current study is based on the resources and capability based analysis within the field of strategic management. Several studies have attempted to study the relationship between hotel industry innovation and the performances. Predominantly, Zahra and George, 2002; Galende, 2006; COTEC, 2000; Hjalanger, 2010; Francina et al, 2005; Francina, 2007, have illustrated the importance of innovation for the performance of hotel industry in different geographical contexts.

Strategy

According to Evans et al (2003) the word strategy can be used in many different ways and not for a single purpose. Mintzberg's five P's are: a perspective, a position in respect to others, a ploy, a plan and a pattern of behavior. All these should be examined separately and it is possible for a company to use more than one of the explanations. A plan is what most use as an explanation for strategy, a ploy is usually a short-term strategy, a pattern behavior is typically when progress happens after adapting certain patterns of behavior, position is when the company focuses mostly on how it is positioned to its competitors and perspective strategy is about changing the culture and behavior of the company's members. (Evans et al 2003 p. 9-11.)

Mission and Values

For a company, it is vital to know what it stands for, the purpose of it and what their strategy consists of and works for. To start a company and make a strategy for it, one must answer the question of why do we need this company? This is where mission and vision come to answer these. They state what the purpose of the company's operation is and outline the company's main business. (Grant 2005, p. 61.) Mission is often in the form of a formal statement that helps for example deliver the company's business idea to the stakeholders. It can be seen in very simple and multiple places such as framed in a company's offices, employees' business cards and promotional advertisements. (Evans et al. 2003.)

Internal Analysis

Previously this thesis focused on the external environment of the organization. This chapter will now go into the internal environment of the firm, about internal analysis that helps the managers understand better their business, evaluate previous strategies and gain new information to build new strategies. Reasons to carry out an internal analysis are: to get an evaluation of the financial, performance, to make an evaluation of the products, to understand the areas in which the firm is weak and implement them successfully into the future strategy, to evaluate activities organized in the firm, and to find out resources, competences that are to be established. Some of the most important aspects covered in an internal analysis are: resources, competences, internal activities analyzed with Porter's value chain analysis, financial resources and performances and product positions in the markets. (Evans et al. 2003, p. 45-46.)

Innovation in Hotel Industry

There are three main characteristics of the hotel industry that make different from other service activities. First, there is the regular category classification of hotels. The "stars" categorization that goes from 1 to 5 determines the type, number and quality of services provided. Second, it is relatively usual to have firms specialized managing hotels; and many combinations arise. There are hotels where owners manage themselves the activity, owners that rent the hotels, or professional executives running hotels through a management contract; another combination is the hotel management under a franchise contract. Third, there is remarkable characteristic of the hotel industry: the organization through chains of hotels, having a central office which has, depending on the company, different attributions and several degrees of vertical integration. This exploratory research suggests that these hotel industry specific aspects can help to understand the innovation propensity of the accommodation services activity. Also, the untested Sundbo and Gallouj (2000) supplier-driven hypothesis from the patterns they define is explored. In addition, there are some remarks of the innovation supporting process that focus more on the literature on organizational innovations on services, (Van der Aa & Elfring, 2002) where the organizational aspects of the implementation of innovations become relevant. There are also, some variables like firm size that usually have been introduced as explanatory in the propensity of manufacturing firms to innovate and should also be considered in the services

innovation. Finally, we consider the market and competition conditions as a potential incentive to innovate and care for the firm competitiveness.

Hotel-specific characteristics: category, governance and chain structure The ownership structure and the degree of dependence on other organizational structures influence the framework of management innovation decisions. In this sense, Davies and Downward (1996) and Jones (1999) show the importance of chains and groups of hotels. Some hotels are independently managed; others belong to a hotel chain or to a more diversified company conglomerate. Ownership and management do not necessarily happen together: (i) companies specialized managing hotels rent the assets or (ii) hotel owners contract the management abilities through management or franchise contracts. As Sirilli and Evangelista's (1998) suggest, different organizational structures of the production units may affect the innovative behavior. The hotel category classification indicates the level and complexity of services provided. Their influence over the innovation propensity is simultaneously an endogenous and exogenous outcome. It is endogenous in the sense that higher categories include more services, equipments complexities and organizational aspects to be innovated. On the other side, a category cross comparison is able to explain some of the innovation patterns.

Supplier driven: Some services (e.g., information and communications technologies) are intensive in the use of new knowledge to innovate. Pavitt (1984), and more recently Hjalager (2002), characterize the hotel industry as a supplier dominated sector that innovates throughout the incorporation of technological elements developed by its suppliers. Similarly, Sundbo (1997) in a study of financial services, tourism and management consultancy, concludes that these service innovations are not science based. The way which technology is introduced reveals the innovation pattern. Hotels can develop new technology internally or use elements developed by others. The hotel's collaboration in the development and implementation of these technological assets reveals the innovation patterns. Innovation supporting process some functional areas, departments and company services can be easily identified as spaces where technological innovation takes place. Identifying technological incorporation implies the assignment of innovations to the different business areas where technology is likely to be transformed into competitive advantage higher productive efficiency (costs reduction) or differentiation. Furthermore, as long as technological innovation leads to more rapid reaction to the changing environment conditions and is integrated in an overall company strategy, it can be considered a way to improve

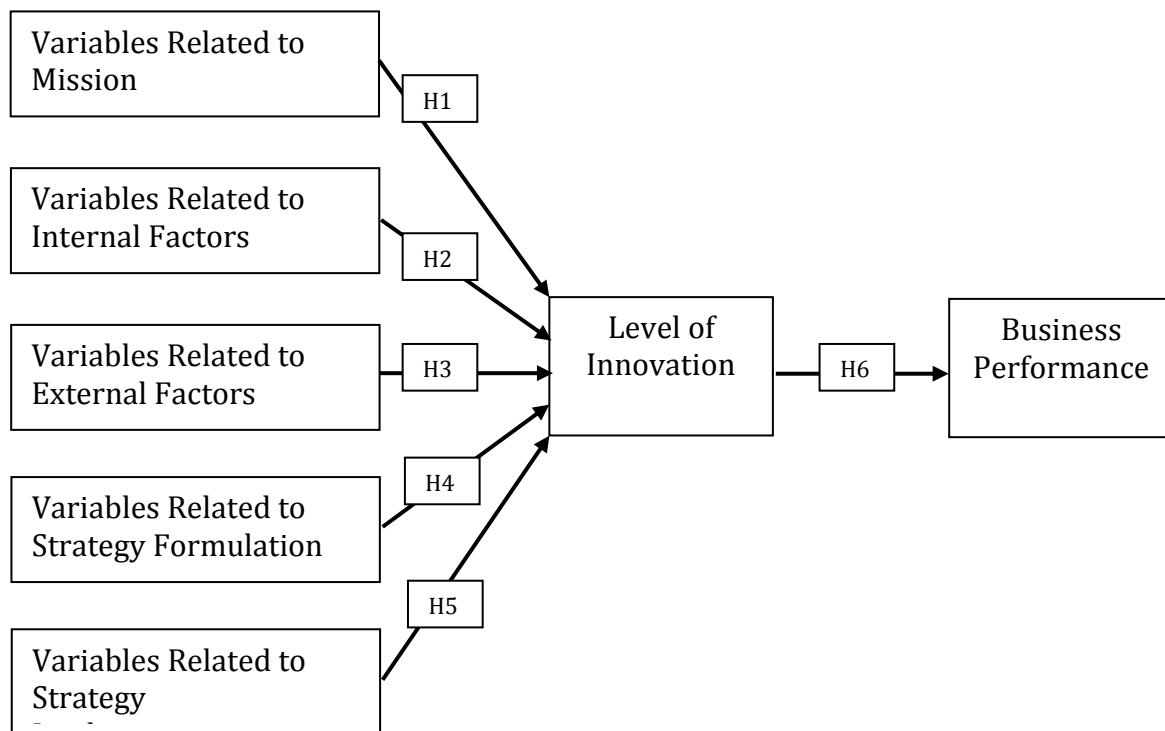
competitiveness. This can be measured through the changes in the services provided by hotels along time. The intensity of the changes introduced and the impact of the technological innovation have been usually defined as incremental or radical according to Deward and Dutton (1986) and Ettlie, Bridges and O'keefe (1984). A radical innovation is the application of a solution for a problem that had so far not been solved, or had been solved in a significantly inefficient manner (such inefficiency may not be evident until the new solution is found). The management of the solution frequently carries high costs, derived from the purchase or the necessary adjustments in the company's internal organization. However, the potential positive impact on performance is usually high too. Incremental innovation is defined as a progressive refinement of previously used solutions that allow an efficiency increase. This implies lower costs, and the benefits accrued are accordingly lower, regardless the importance of the continuous incremental innovation within the overall development. A typical example of the distinction between both innovation styles is the use of internet technologies: when they were first introduced in company management, a radical innovation occurred, whereas further extensions of their use resulted in incremental innovation. Nevertheless, the innovation process does not conclude with the incorporation of new or modified technological elements. A great deal of effort must be put into their implementation (operation start up, adjustments, etc.) and their efficient use, enabling the organization to develop the skills required to successfully implement the innovations (Olsen & Connolly, 1999; Sirilli & Evangelista, 1998). In order to achieve an optimal operation of the new or significantly improved services, some changes in the employee's organization and training must be done (Cohen & Levin, 1989; Griliches, 1990). This study looks also on the training and human resources investment, as a factor to understand the propensity to innovate and the quality level offered by a service company.³ Pine (1992) shows evidence that the transfer of technology in lodging activities depends on the staff's implication.

Firm (hotel) size: The size dependence of intensity of innovation among innovative firms is idiosyncratic. Some studies suggest a U-shaped curve, like Brouwer and Kleinknecht (1997) when analyzing the size distribution of innovative activity, comparing services and manufacturing. The production unit size is relevant since the economies of scale may explain some strategic decisions made by companies. The influence of size on a company's innovative behavior has been outlined in some studies like Cohen and Levin (1989). The influence can empirically be positive (impact of scale economies on innovation activities) or negative (the effect of flexibility on the introduction of changes). The size of the hotel is able

to determine the success and profitability of the implemented innovations. An important issue in the hotel industry related to the size effect is the combined requirement of both fixed assets as equipments and human resources in the service delivery process. Therefore, the industry must face a very high fixed costs structure. This fact, together with the typical seasonal demand of many coastal resorts, makes it more profitable for many companies to shut down during the low and/or medium seasons than staying operative. Moreover, the acceptable occupancy break-even level is quite high, which constrains price policy (Kotas, 1982; Tisdell, 2000). This phenomenon increases the tour operators' negotiation power. The technological innovation may mitigate these difficulties by offering tourist products off season (Carey & Gountas, 1997) short breaks, business trips, etc. or increasing the use of the installed capacity.

Market factors and competition: The hotel activity targets to specific market segments related to quality and categories levels, seasonality and possibilities of product differentiation. The market segment can be approached, according to Davies and Downward (1996), through the type of board sold, the channels used in commercializing the service and the degree of customer loyalty. Innovation propensity can be explored according to these features. The channels used to commercialize the service can also be innovated through the new possibilities offered by the information and communication technologies (e.g., booking via the Internet) or else improved use of these new technologies (Sangster, 2001). The hotels' differentiation is the strategic behavior related to its closest competitors, companies with similar services in the same area. Using technological innovations, as a way to differentiate services, can provide tourist accommodation services in addition or higher quality than those of their competitors. This differentiation, according to Chung and Kalnins (2001) is considered a major competitive variable, achievable through innovation. The information sources publicly available as databases on R&D, patents registries and similar are useful to quantify the innovation activities in the manufacturing industry but helpless in our case. To identify innovation activities within the lodging industry the information arises from direct sources, from the same facilities providing tourists accommodation services. The unit of analysis is the hotel instead of the firm. The hotel is the place where the service is provided, where the managers have the incentives to innovate, where the innovations can be measured without the aggregation of hotels at firm level.

Figure 2.1; Conceptual Framework



- H1 The explicit inclusion of innovation in an organization's mission and values has a positive impact on the level of innovation.
- H2 Certain internal factors have a positive impact on the level of innovation.
- H3 Certain external factors have a positive impact on the level of innovation.
- H4 Formulating competitive and growth strategies has a positive impact on the level of innovation.
- H5 Implementing strategies has a positive impact on the level of innovation.
- H6 The level of innovation, driven by the explicit management thereof, has a positive impact on business performance.

Table 2.1; Constructs and Dimensions of the Study

Construct	Dimension 20
Mission	A firm bet for innovation in an organization's mission and values
Internal Factors; Influence of the internal factors on the level of innovation	<p>A corporate structure that facilitates innovation</p> <p>Corporate support for creativity +</p> <p>Adoption of adequate measures</p> <p>An innovation-oriented culture</p> <p>Adoption of measures to overcome barriers to innovation+</p>
External factors; Influence of the external factors on the level of innovation	<p>Competitive rivalry -</p> <p>Degree of customer satisfaction and loyalty -</p> <p>The dimensions of complexity and dynamism of the environment</p> <p>Suppliers' bargaining power</p> <p>Bargaining power of substitute products -</p> <p>The degree of active government commitment -</p>
Strategy formulation; Influence of the adoption of certain strategies on the level of innovation	<p>Competitive strategies: competing through seeking cost leadership</p> <p>Competitive strategies: adopting a segmentation strategy</p> <p>Competitive strategies: committing to a differentiation strategy In-ternationalisation as a growth strategy</p>
Strategy implementation; influence on the level of innovation of certain factors of implementation strategies	<p>Degree of development of quality management +</p> <p>Objectives of increased productivity +</p> <p>Degree of sophistication in information systems +</p>
Innovation and its impact on business performance	Degree of influence of the level of innovation on business performance

Constructs and items used to design the questionnaire for online survey is given in the Annexure I.

03. METHODOLOGY

The primary objective of this study is to explore the relationship between level of innovation and the business performance in the hotel industry in the context of Sri Lanka. In order to materialize the aforementioned objective the following secondary objectives would be set and dually examined. To uncover the relationship between organization's mission statement and the level of innovation, to check the impact of internal factors on the level of innovation, to check the impact of external factors on the level of innovation, to check the impact of competitive and growth strategies on the level of innovation, to check the impact of strategy implementation on the level of innovation and to explicit the impact of level of innovation on the business performance.

The population for this study being all the executive level employees in Sri Lankan hotel industry a sample of 200 executive employees was drawn based on the stratified sampling technique and hotel group, star category and number of employees were used as strata. The online survey was carried out among the sample units and out of 200 targeted responses 168 were usable for further analytical purposes with a response rate of 84%. This sample was included all key management personnel at the hotel level, corporate management office level at all hotel chains and five star hotels in Sri Lanka. Further, sample survey was focused at all areas of operations such as marketing, human resources, operations, finance and administration etc.

Survey data obtained from the key management personnel of all major hotel management companies and all the five star hotels in Sri Lanka were analyzed through descriptive statistics, correlation and regression methods with the help of SPSS and STATA software packages.

04. RESULTS AND DISCUSSION

Before moving into the analytical approaches, the basic statistical requirements with reference to the data set were verified. In order to ensure that the capacity of the variable in

representing its concept of measure the reliability and validity statistics were employed. In this case the Cronbatch alpha for each construct was verified. In the reliability analysis it was evident that no construct was below the alpha value of 0.76 and hence the higher level of reliability in the measurement tools.

Subsequently the data were applied into a factorial analysis model in order to identify the significance of different factors of strategic management approaches to the level of innovations and business performance in hotel industry in Sri Lanka. Twenty two factors were contributing to explain the dependent variable and it was evident that 89 percent of the total variance was explained by these dimensions. The high correlations between factors as well as the corresponding factor loadings for each factor were considerably high since they accounted for more than 83 percent of the total responses.

The next analytical approach employed was to test the correlations between different dimensions of strategic management and innovation in hotel industry. Person's correlation coefficient (r) test was employed to test the above relationships and no statistical evidence was found to reject any of the hypotheses formulated for this study.

Table 4.1 illustrates the results of Pearson's "r" test results, level of significance for each hypothesis, global sign and the result of the test.

Table 4.1. Results of Person's "r" test for hypothesis testing

	Hypothesis	Sig.	Global sign	Result
H1	The explicit inclusion of innovation in an organization's mission and values has a positive impact on the level of innovation.	0.000	Positive	Accepted
H2	Certain internal factors have a positive impact on the level of innovation.	0.000	Positive	Accepted
H3	Certain external factors have a positive impact on the level of innovation.	0.000	Positive	Accepted

H4	Formulating competitive and growth strategies has a positive impact on the level of innovation.	0.000	Positive	Accepted
H5	Implementing strategies has a positive impact on the level of innovation.	0.000	Positive	Accepted
H6	The level of innovation, driven by the explicit management thereof, has a positive impact on business performance.	0.000	Positive	Accepted

After individual hypothesis were tested for each variable the overall model for hotel industry innovation and its impact of business performance was tested in a regression model. Multiple Linear regression (OLS – Ordinary Least Square Method) was employed for this purpose. In order to test the data set in a regression model the regression assumptions were tested and particularly the multicollinearity and the normality tests were employed. The VIF and tolerance values showed that no serious multicollinearity exists among the variables under the study and proceeded to the test of normality of data. All the independent variables were tested for the normality at an alpha level of 0.05 and the following results were obtained that shows the normality of the data set.

Table 4.2; Test result for the normality test of data

Variable	Alpha	P value	Result
Mission	0.05	0.004	Significant
Internal Factors	0.05	0.025	Significant
External factors	0.05	0.015	Significant
Strategy formulation	0.05	0.003	Significant
Strategy_ implementation	0.05	0.011	Significant

After the regression assumptions were verified for the data set the multiple linear regression was carried out based on the OLS method in order to regress the independent variables against the level of innovations and its impact on the business performance in Sri Lankan Hotel industry. Table 4.3 summarizes the regression results obtained and the R^2 of 0.899 explains that the independent variables collectively explain approximately 90% of the total variance of the independent variable. In other words the model is capable of explaining 90% variance of the dependant variable (impact of innovation on business performance of hotel industry). The F statistic which is given by the analytical result 287.7 and the corresponding P value of 0.0000 jointly explains that there is a strong linear relationship between these variables. The relevant coefficients and the corresponding P (Table 4.3) values demonstrate that the significance of each variable in the Strategic Management process in terms of level of innovation and business performance in Sri Lankan hotel Industry.

Table 4.3: Regression output

Source	SS	df	MS	Number of obs =	167
-----+-----				F(5, 161) =	287.67
Model	179.188517	5	35.8377033	Prob > F	= 0.0000
Residual	20.0569924	161	.124577593	R-squared	= 0.8993
-----+-----				Adj R-squared =	0.8962
Total	199.245509	166	1.20027415	Root MSE	= .35296

innovation~s	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
strategy_i~n	0.0684 3	0.0504674	1.36	0.071	-0.0312338	0.1680929
strategy_f~n	0.5822 2	0.1242694	4.69	0.000	0.3368095	0.8276258

external_f~s	-0.4156	0.1079289	3.85	0.000	0.6287532	0.2024753
internal_f~s	0.6415 8	0.0427346	15.01	0.000	0.55719	0.7259753
mission	0.0944 9	0.0680887	1.39	0.057	-0.0399682	0.228956
_cons	0.2546 7	0.1382884	1.84	0.069	-0.0184211	0.5277648

05. CONCLUSIONS AND SUGGESTIONS

This paper presents the relationship among different strategic management approaches and their impacts on level of innovation and business performance in the hotel industry in Sri Lanka. Both practitioners and policy planners could focus the study results in their scope of work in the industry. Predominantly, for hotel industry managers it could be mentioned that this study provides a guideline in which the way they should manage their strategic management options in order to make an impact over innovations and business performance. Out of the total twenty dimensions in the SM process sixteen impacts on positively on the business performance of Sri Lankan hotels. The impact of external factors over the level of innovation found to be weak and out of six dimensions of this construct only two were positively associated and four were negative. The following dimensions having high positive correlation with level of innovation; Corporate support for creativity, Adoption of measures to overcome barriers to innovation, Degree of development of quality management, Objectives of increased productivity, and Degree of sophistication in information systems illustrate practical implications to the sector. Nevertheless the dimensions related to external need to improve for effective contribution to the level of innovation and consequently the business performance as the findings of the study suggest.

With reference to the external factors the highest positive correlation reported from the competitive revelry and this could give much information for managers and directors. The higher the competitive revelry is higher the innovation. In this case it is positively associated with the level of innovation. The decision making with regard to the innovation has to be

strictly attended to. The innovation decision making should be embedded in the strategy itself as per the high correlation factor reported in this section.

On the whole, the analytical results suggest that the innovation should be a part and partial of the strategy and should be of competitive, growth and quality performance focused. At management level the strategic management approach and level of innovation going hand in hand as well as these having close relationships with business performance, the competitive advantage could be crafted and maintained through a dynamic process of innovations in the hotel industry as per the study results suggest.

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ANNEXURE I – OPERATIONALIZATION CHART

Construct	Dimension
Mission	A firm bet for innovation in an organization's mission and values
Internal Factors; Influence of the internal factors on the level of innovation	A corporate structure that facilitates innovation
	Corporate support for creativity
	Adoption of adequate measures
	An innovation-oriented culture
	Adoption of measures to overcome barriers to innovation
External factors; Influence of the external factors on the level of innovation	Competitive rivalry
	Degree of customer satisfaction and loyalty
	The dimensions of complexity and dynamism of the environment
	Suppliers' bargaining power
	Bargaining power of substitute products
	The degree of active government commitment
Strategy formulation; Influence of the adoption of certain strategies on the level of innovation	Competitive strategies: competing through seeking cost leadership
	Competitive strategies: adopting a segmentation strategy
	Competitive strategies: committing to a differentiation strategy internationalization as a growth strategy
Strategy implementation; influence on the level of innovation of certain factors of implementation strategies	Degree of development of quality management
	Objectives of increased productivity
	Degree of sophistication in information systems

Innovation and its impact on business performance	Degree of influence of the level of innovation on business performance
Mission (5 items)	Clearly defined strategic thinking model
	Innovation with similar importance as other areas 3
	Introduction of innovation in values
	Description of innovation objectives
	description of action plans for innovation
Internal Factors	
Corporate Structure	Organizational Structure that facilitates innovation
	Arrangements between departments on innovation management
	Employee contributions taken into account
	Innovations for improving working conditions taken into account
Culture	Pervasive innovation oriented thinking
	Stimulates the process of generating new ideas
	Contributes to risk taking
	Freedom of initiative for middle management
	A certain "error tolerance" in relation to innovation
	Willingness to change and learn
Support for creativity	Generation of an appropriate environment for creativity
	Importance of removing barriers to creativity
	Explicit internal communication to provide ideas or improvements
Innovation Barriers	Programmes for overcoming resistance to changes in implementing innovation
	Training courses for overcoming barriers to innovation
	Innovation inventory control
	Multi-disciplinary teams that facilitate learning and the introduction of

	innovations
Appropriability measures	Internal development of innovative products or processes
	Development in collaboration with other entities
	Acquisition from other entities or companies
	Adoption of legal measures of protection
	Planned protection of innovations
External Factors	
Competitor rivalry	Innovation barrier to entry of potential competitors
	Increased economies of scale involving cost disadvantages
	Allows better competition with existing competitors
	Stiff competition can be an incentive for innovations
	Importance of taking control of competitors' innovations
Supplier bargaining power	Influence of innovation on distributors
	Optimization of supplier delivery times
	Fluent communication
	Power to negotiate contracts
Customer Satisfaction	Allows customers to perceive a better level of service
	Innovations for customers' unmet needs
	Consultation with customers origin of sources of innovation
	Better position in customer contracts
Substitution products	Causes changes in taste and fashion and shortens product life cycle
	improves product presentation and image
	Increases range of products
	Imitates competitors' products by incorporating improvements
Dynamic environment	Innovation in highly volatile tourism markets

	Uncertainty about future conditions of demand
	Purchasing power of customer country of origin
	Economic development of the country of investment
	Complex. Dynamic environments
Governmental commitment	Degree of corporation with the government
	Commitment to financial aid (subsidies, tax breaks, low interest loans etc)
Strategy Formulation	
Competitive strategies	Undercutting competitor's prices and innovation
	More efficient processes
	Optimization of cost management
	Market shares competing in costs
	Investment in technology to lower costs
Differentiation Strategy	Differentiation and investment in innovation
	Higher quality services perceived by customers
	Improved brand image
	Securing customer loyalty and innovation
	Marketing methods and techniques
Segmentation strategy	Segmented or specialized product/service and innovation
	Products in high price market segments
	Flexible and efficient organizational structure
Internationalization	Growth in new international markets
	Franchising, management or joint venture contacts abroad
	Innovations in products and processes
	Innovative management methods

	Innovation and intention to exploit international markets
Strategy Implementation	
Quality Management	Use of quality management methods
	Innovation and quality management plans
	Ongoing quality improvement models
	Implementation and certification of advanced quality systems
	Explicit value management process
	Human resource scorecard
Information Systems	Product innovation and new technologies
	New technologies and innovative processes
	new technology and organizational innovation
	Information systems and competitive advantage
	Mechanisms for incentivizing employees to share information and knowledge
Productivity	Improved processes and lower costs
	Percentage of sales
	Flexibility
	productivity targets achieved
	increased outputs and decreased inputs
Level of innovation and business performance	R&D Expenditure generated within the company
	R&D Expenditure generated outside the company
	Acquisition of machinery
	equipment and advanced software or hardware
	Market innovations
	Global effort

	impact on sales of new products or services or improvements in existing products or services
	New processes
	New forms of commercialization
	Secondary financial sources
	Percentage of growth in revenue and financial ratios

[05]

SEGMENTATION OF SERVICE QUALITY FOR SPORT TOURISM

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Abstract

Sport tourism has already been the most common activity in worldwide society and tourism, and is the largest industry around the world. Therefore, the combination of sport and tourism has become the most popular leisure experience, and turned into the largest and the fastest developed department in the travel and tourism industry. The sport tourism industry is part of the service industry, so it is profoundly affected by the quality of service, the main factor of consumer's repurchase intentions and the profits of organizations. The event of Swim across Sun Moon Lake not only is the famous activities in Taiwan, but also for global swim events. This research explores perception of service quality for participants. Exploratory factor analysis and cluster analysis methods will adopt to the identified the characteristics of the participants into different groups and compared the perceived of service quality between various groups. This research affords the valid information to promote the service quality of sport events and to attract more people for tourism, which makes the event sustainability.

Keywords: *sport tourism, service quality, market segmentation*

01. INTRODUCTION

Sport is now regarded by many to be the world's biggest social phenomenon (Kurtzman & Zauhar, 2003) and tourism its largest industry (Standeven & Deknop, 1999). Sport and tourism are believed to be among the world's most popular leisure experiences (Ritchie & Adair, 2004). The major sporting events contribute significantly to the economic development and tourist traffic in a city or region and are a vital component of the marketing mix for tourist destinations (Getz, 1998). Sport tourism is defined as "all forms of active and passive involvement in sporting activity, participated in casually or in an organized way for non-commercial or business/commercial reasons that necessitate travel away from home and work locality" (Standeven & Deknop, 1999, p. 12). Gibson (1998) defined sport tourism as "leisure-based travel that takes individuals temporarily outside of their home communities to participate in physical activities, to watch physical activities, or to venerate attractions associated with physical activities".

The sport tourism is also a service industry, and as such is largely influenced by the quality of the services provided (Backman & Veldkamp, 1995; Baker & Crompton, 2000; Zeithaml & Bitner, 2003). Service quality, defined as "the difference between what is expected from each of the service dimensions and what a consumer perceives he or she receives from them" (MacKay & Crompton, 1988). Turley and Fugate (1992) view service quality and affective responses as outcomes of facility perceptions and further argue that this link is particularly strong for facility-driven services such as entertainment facilities. Customer reactions to the tangible physical environment may be more emotional than cognitive and plays an important role in generating excitement in leisure settings. The tangible, physical surroundings of the service environment can have a significant effect on customers' affective responses and their behavior intention (Wakefield & Blodgett, 1999). The personnel and reliability dimensions of service quality weakly but significantly predicted repurchase intentions, while the tangibles, responsiveness and reliability dimensions predicted a significant and moderate amount of variance in word-of-mouth communications (Theodorakis & Alexandris, 2008). Wakefield and Barnes (1996) specify a positive relationship between perceptions of quality and value in a professional baseball setting. Additionally, Shonk and Chelladurai, (2008) also constructed a sport tourism quality model to measure the service quality of sport tourism. and indicated by four primary dimensions including: (a) access quality (composed of access to destination, sport venue, hotel), (b) accommodation quality (including the environment, interactions, and

value), (c) venue quality (comprised of environment, interactions, and value), and (d) contest quality (indicated by process of the contest and the product of the contest).

Sun Moon Lake is famous scenery in Taiwan and hosted the event of Swim across Sun Moon Lake since 1983, which is also a sport tourism. International Olympic Committee certified this event as biggest activity for swimming world-wide in 1995, not only is the largest activities in Taiwan, but also is very famous for global swim events. The participators of Swim across Sun Moon Lake were over 10 thousand in 1996 and got into International Swimming Hall of Fame Headlines in 2002.

The objectives of this study are identifying the underlying dimensions of service quality for participants attending the event of Swimming across Sun Mon Lake, using exploratory factor analysis; segmenting the event market based on delineated factors, adopting a cluster analysis. Finally, this study exploring the differences among segmented service quality groups on satisfaction of tourists by ANOVA (analysis of variance).

02. Literatures Review

Service quality has been suggested as a key concept for organizations; since research has shown customer retention rates, and higher profits for organizations (Backman & Veldkamp, 1995; Baker & Crompton, 2000; Zeithaml & Bitner, 2003). A customer with positive service quality perceptions is likely to report high levels of satisfaction and subsequently develop attitudinal and behavioral loyalty with the organization and its services (Burton, Sheather & Roberts, 2003; Dagger, Sweeney, & Johnson, 2007; Lee, Graefe, & Burn, 2007; Olorunniwo, Hsu, & Udo, 2006; Spreng. & Chiou, 2002). Meanwhile, the link between service quality and consumer loyalty is well documented in the services marketing literature, but not yet established in the sport spectators industry, due to differences between the purchase decision making of a general consumer and a sport fan consumer (Theodorakis & Alexandris, 2008). Scholars in sport have examined perceptions of service quality by participants within recreational and leisure facilities, and spectator sport in behavioral intentions (Dale, van Iwaarden, der Wiele, & Williams, 2005; Kelley & Turley, 2001; Ko & Pastore, 2005; Theodorakis & Alexandris, 2008). In a sports context, the servicescape makes important contributions to satisfaction levels since the customer spends an extended period of time observing and experiencing it when attending an athletic contest (Kouthouris & Alexandris, 2005; Shonk & Chelladurai, 2008; Thwaites, 1999; Thwaites, & Chadwick, 2005).

Parasuraman, Zeithaml, and Berry (1985) developed the gap model of service quality, which identified 10 determinants. These determinants included: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding/knowing the customer, and tangibles. consisted of five dimensions of tangibles, reliability, responsiveness, assurance, and empathy. Subsequent empirical research narrowed this list of determinants down to a more manageable list of five dimensions: reliability, responsiveness, empathy, assurance, and tangibles (Parasuraman et al., 1988). Crompton, MacKay, and Fesenmaier (1991) and MacKay and Crompton (1990) developed REQUAL model for public recreation services in the USA. The REQUAL scale proposed a four-factor structure (assurance, reliability, responsiveness, and tangibles), which was similar to the SERVQUAL model, but seemed not to be easily adjustable to sport services in other countries and sectors (private). Theodorakis, Kambitis, Laios, & Kousetelios (2001) developed SPORTSERV model based on the attributes of service quality, including tangibles, responsiveness, access, security, and reliability in the context of professional basketball. Additionally, the research found that service quality can predict spectators' repurchase intentions and word-of-mouth communications. Kim and Kim (1995) developed the QUESC (Quality Excellence of Sport Centers) model, but did not present evidence regarding the construct validity of the scale. Ko and Pastore (2005) developed SSQRS model (Scale of Service Quality for Recreation Sport) to measure the service quality of recreation sport. Shonk and Chelladurai (2008) constructed a sport tourism quality model and indicated by four primary dimensions including: (a) access quality (composed of access to destination, sport venue, hotel), (b) accommodation quality (including the environment, interactions, and value), (c) venue quality (comprised of environment, interactions, and value), and (d) contest quality (indicated by process of the contest and the product of the contest).

This study follows Ko and Pastore (2005) and Shonk and Chelladurai (2008) research model to investigate the service quality of Swim across Sun-Mon Lake. This study also tries to explore the service quality perception of participants and to make a segmentation of sport event on satisfaction for sport tourism market.

03. METHOD

The Survey and Data Collection

The service quality items were taken from a number of sources and a literature review, including the following: Ko and Pastore (2005) and Shonk and Chelladurai (2008). The model including four primary dimensions: program quality, interaction quality, outcome quality, physical environment quality. The answers to the questions in the questionnaire concerning service quality were given on a five-point Likert scale (1=Strongly disagree and 5=Strongly agree). Before undertaking the formal survey, it is important to conduct a pretest to examine the reliability and validity of the part of service quality questionnaire. After finished pretest, the 22 items of questionnaire were correct to 19 items and to be a formal format. On-site samples are conducted on September 16 in 2012. During this period, 500 people were asked to complete a questionnaire. A total of 464 complete responses were obtained, yielding a response rate of 92.8%.

Factor and Cluster Analysis

The perceptions of service quality participants attending to the event are derived from individuals' responses to attitudinal part of questionnaire on a Likert scale. These responses are then analyzed using exploratory factor analysis to delineate underlying dimensions of service quality and obtained their factor scores. After factor analysis, the factor scores were used by cluster analysis to segmenting the event market based on delineated factors. Cluster analysis identifies the market segmentation. One way ANOVA tests are employed to examine the effect on overall satisfaction level among clusters.

04. Results

Analysis Service Quality of Participant Perceptions

Factor analysis was conducted using a principle component method with a Varimax rotation procedure to extract 19 motivational items and combine them into a smaller number of uncorrelated factor dimensions by calculating the factor scores for the event of Swim across Sun Mon Lake. Table 1 presents the results of the factor analysis whose loading is greater than 0.5. It indicates a reasonably high correlation between the delineated factors and individual items. All factors with eigenvalue greater than 1, accounted for 64.79% of the total variance.

This study used exploratory factor analysis to extract the major factorial dimension. Before factor analysis, Bartlett's test of sphericity and the KMO (Kaiser Meyer Olkin) test were used to examine the appropriateness of the sample data (Kaiser, 1974). The results show that the KMO value is 0.90, and the Bartlett test of sphericity has a p value smaller than 0.01, indicating that the variables correlate and factor analysis is appropriate. The principle component method and varimax rotation procedure are performed to extract 19 items of consumer behavior into 5 factor dimensions. By calculating the factor scores, the interrelated variables and the smaller number of uncorrelated factors were extracted.

The first dimension was the 'Interaction quality' attribute, which accounted for 34.92% of the total variance with reliability of 0.85. The relatively large proportion of the total variance for this factor can be attributed to the fact that the 'Interaction quality' was the central of the factors. The other dimensions were 'Outcome quality', 'Environment quality', 'Program quality' and 'Information quality' attributes, which accounted for total variance of 10.14%, 8.07%, 6.37% and 5.29%, respectively. The coefficients reliabilities were 0.79, 0.78, 0.75 and 0.75, respectively. After factor analysis, five dimensions of service quality perceptions and their factor score were obtained, and then to perform a cluster analysis to make a market segmentation on satisfaction.

Table 1

Factor Analysis of Participant Perceptions of Service Quality

Item	Interaction quality	Outcome quality	Environment quality	Program quality	Information quality
The employees are very knowledgeable about their jobs.	0.791				
The employees are friendly.	0.765				
The employees help participants aggressively and deal the special needs effectively.	0.742				
The attitudes of employees are polite.	0.701				
The program times and operations hours are suit the event.	0.614				

The facilities of drink and medical are enough.	0.593				
I feel my physical ability has increased after join the event.		0.834			
I really enjoyed the social interaction after the join the event.		0.770			
I feel the sense of achievement after the join the event.		0.663			
Swimming has fun to me after the join the event.		0.643			
The parking lot is enough.			0.819		
Transportation is convenient.			0.818		
The facilities of toilet and shower room are enough.			0.778		
The environment quality of lake is good and comfortable.			0.468		
The programs offered are attractive to me.				0.779	
The equipments for rescue and lifeguards are enough.				0.702	
The event program is on time.				0.682	
The information of the event is easy to obtain.					0.831
The registration of the event is convenient.					0.808
Eigenvalue	6.63	1.93	1.53	1.21	1.00
Variance (Cumulative %)	34.92	45.06	53.13	59.50	64.79
Reliability (Cronbach's α ,%)	85.5	79.4	77.6	75.0	74.6

Attributes of Service Quality Clusters

One way to explore the needs of visitors is to identify the underlying segmentation in a market, acknowledging that needs are likely to vary across the segments. Cluster analysis is adopted to help determine perceptions of service quality group. First, Ward's hierarchical method was used to decide the number of clusters. Based on the factors score of perceived service quality, three was the optimal cluster number. Next, the K-means clustering method was used to divide visitors into three clusters.

The analysis of variance (ANOVA) test indicates that all five factors contributed to all perceived service quality clusters, which were 'Interaction and Information', 'Environment improving' and 'Program and outcome', and exhibited significant differences for all clusters (Table 2). Scheffe's multiple ranges test was used to find detailed differences between the clusters with respect to each factor. The result of Scheffe's test shows that the clusters differ with respect to all factor dimensions except in that clusters I and II do not differ in the 'Environment quality' factor; I and III do not differ in the 'Interaction quality', 'Program quality', and 'Information quality' factor; and II and III do not differ in the 'Information quality' factor. Cluster analysis identified that the most important and largest (45.26%) market segmentation is 'Program and outcome'. Marketing managers should make appropriate decisions based on segmentation to attract more participants to this event.

Characteristics of Segmented Clusters

Market segmentation explored the characteristics of respondents to meet the specific needs for different groups. As shown in Table 3, all clusters varied significantly in terms of marital status, age, education, and experience of Swim across Sun Moon Lake, but not gender and personal monthly income.

Table 2
Result of Cluster Analysis for Participant Perceptions of Service Quality

Clustering	Cluster I	Cluster II	Cluster III	F Value	Scheffe test		
	n=108	n=146	n=210		I - II	I - III	II - III
Service quality							
Interaction quality	4.39 ^a	3.84	4.38	65.17***	***	-	***
Outcome quality	3.78	4.04	4.50	78.93***	***	***	***
Environment quality	3.12	3.06	4.08	180.45***	-	***	***
Program quality	4.37	3.56	4.43	141.48***	***	-	***
Information quality	4.10	3.84	3.98	4.62***	**	-	-
Cluster naming	Interaction and Information cluster	Environment improving cluster	Program and outcome cluster				

1. **It means significant level of 5%; ***It means significant level of 1%;

2. 'a' represents the average score calculated by Likert 5 point scale.

The results illustrated that most of the respondents of marital status in the 'interaction and information' and 'program and outcome' clusters were marriage, but in the 'environment improving' cluster were single. The most of the respondents in all clusters were aged 21 to 50 years and educated for university, but 'program and outcome' cluster in aged 51-60 and educated senior high school was more than the other clusters. The experience of Swim across Sun Moon Lake of all clusters were 1~5 times. Managers can target a group based on its attributes using a suitable marketing strategy to attract more visitors.

Table 3
Characteristics of Cluster of Participant Perceptions of Service Quality

Characteristics		Interaction and information cluster I	Environment improving cluster II	Program and outcome cluster III
Gender	Male	94	113	46
	Female	14	33	164
		$\chi^2=4.43$	df=2	p=0.11
Marital status	Married	62	65	114
	Single	46	81	96
		$\chi^2=4.98$	df=2	p=0.083
Age	Under 20	5	6	16
	21~30	34	54	57
	31~40	31	50	49
	41~50	30	25	48
	51~60	5	8	36
	Over 61	8	1	0
		$\chi^2=27.82$	df=10	p=0.002
Education	Elementary school			
	Junior high school	2	4	8
	Senior high school	2	5	17
	University	10	22	47
	Graduate school	61	80	102

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		$\chi^2=28.81$	df=10	p=0.01
Personal monthly income(NT\$)		16	14	47
	Under 20,000	30	53	68
	20,001~40,000	34	45	53
	40,001~60,000	14	19	22
	60,001~80,000	14	15	20
	Over 80,001	$\chi^2=18.1$	df=8	p=0.11
Experience of Swim across Sun Moon Lake	1	54	79	98
	2~5	41	56	88
	6~10	11	8	17
	Over 10	2	3	7
		$\chi^2=39.81$	df=28	p=0.069

Participant Perceptions of Service Quality Clusters on Satisfaction

In this study, one way ANOVA is adopted to test the differences between the perception of service quality clusters in terms of satisfaction in Table 4. The ANOVA tests reveal significantly different overall satisfaction levels among the three clusters ($F=30.53$, $p<0.01$). The Scheffe multiple ranges were used to find further detailed variations among the clusters in terms of satisfaction level. The result of Scheffe test shows a significant difference among

all clusters in terms of satisfaction. The ‘program and outcome’ cluster was the most important segmentation and its members were had the highest overall satisfaction at the event of Swim across Sun Moon Lake. Furthermore, The ‘environment improving’ cluster had the lowest overall satisfaction at the event. The segmentation should help the managers of Swim across Sun Mon Lake a improve environmental quality to increase the satisfaction of participant and thus attract more swimmer.

Table 4

ANOVA Test Perceptions of Service Quality Clusters on Satisfaction

	Satisfaction	<i>F</i> value	<i>p</i> value
Cluster			
Interaction and information cluster (I)	4.13		
Environment improving cluster (II)	3.73	30.53***	0.00
Program and outcome cluster (III)	4.33		
Scheffe test	I - II	I - III	II - III
Mean difference	0.40***	-0.20*	-0.60***
<i>P</i> value	0.00	0.07	0.00

1. *, *** represents significant under 1% and 10% levels, respectively.

05. Conclusions

This study adopted factor and cluster analysis to identify the motivations of visitors, whom it divided into three groups or clusters - ‘interaction and information’, ‘environment improving’ and ‘program and outcome’ clusters. Event managers must understand participant perception of service quality to be able to develop marketing strategies to appeal to the different groups people. The most important market segmentation is the ‘program and outcome’ cluster, which had the highest satisfaction level. The members of this group were mostly married, aged from 21 to 60 years, and educated to university level. If event managers want to attract participants

of the 'environment improving' cluster to the event, they must improve environmental quality to increase the satisfaction of participant that these visitors tend to be single and educated at least university level. The important managerial implications of this study are that managers could also identify the segmentation information to develop effective marketing strategies and to refine advertising campaigns that take into account the characteristics of the targeted participants to attract more people.

Future research should seek to improve a better understanding of the specific needs and behaviors of participants in the demand function, to help the management agencies to improve their marketing programs. Furthermore, future study may try to estimate the willingness to pay (WTP) of participants to improve environment or service quality and to explore the differences among segmented groups on WTP.

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POTENTIALS AND PROSPECTS OF MEDICAL TOURISM IN CHENNAI

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Abstract

Medical tourism or as often called as Health Tourism or Medical Travel has emerged as million-billion dollar industry. Medical tourism is the practice of traveling outside one's home town to access medical treatment. The concept of Medical Tourism in India refers to visit by overseas patients for medical treatment and relaxation. Medical tourists choose India as their favorable destination because of the key opportunities in Indian healthcare sector in the form of efficient infrastructures and technology. The health insurance market and National medical systems here are well developed, which is convenient for visitors from the West and the Middle East. They also find the hospital expenses very affordable. Tamil Nadu is proud of possessing India's best medical facilities (Allopathy, Ayurveda, Siddha, Unani, etc.). Chennai leads in the health care sector and is considered the [Health Capital of India](#). Chennai is the home to some of India's best health care institutions such as [Apollo Hospitals](#), the largest health care provider in Asia. MIOT Hospitals, [Sankara Nethralaya](#), [Sri Ramachandra Medical Center](#), [Fortis Healthcare](#), Sundaram Medical Foundation (SMF), Madras Medical Mission (MMM), Frontier Lifeline & K.M. Cherian Heart Foundation, Chettinad Health City and [Adyar Cancer Institute](#). Chennai is a preferred destination for [medical tourists](#) from across the globe. Some of the treatments sought after by the tourists include heart surgery, neurological problems, cancer, plastic surgery and orthopaedic procedures. Chennai attracts about 45% of all health tourists arriving in India from abroad in addition to 30% to 40% of domestic tourists. The government has also started issuing M (medical) visa to the medical patients, and MX visas to the spouse accompanying him, which are valid for a year.

Keywords: Medical tourism, Chennai, Apollo, MIOT, Healthcare, Travel, Travel Agencies

01. INTRODUCTION

Medical tourism or Health tourism is also known as medical travel. Medical tourism is the practice of traveling outside one's home town to access medical treatment, which has been emerging as million-billion dollar industry.

The concept of medical tourism is not a new one. The first recorded instance of medical tourism dates back thousands of years when Greek pilgrims travelled from Mediterranean to Saronic Gulf called Epidauria. This has become the original travel destination for medical tourism. Spa tourism and sanitariums may be considered an early form of medical tourism.

Medical tourism or global healthcare is a term initially coined by [travel agencies](#) and the [mass media](#) describes the rapidly-growing practice of travelling across international borders to obtain [health care](#). Over 50 countries have identified medical tourism as a national industry¹.

The Medical Tourism in India refers to visit by overseas patients for medical treatment and relaxation. Medical tourists choose India as their favorable destination because of the key opportunities in Indian healthcare sector in the form of efficient infrastructures and technology. The health insurance market and national medical systems here are well developed, which is convenient for visitors from the West and the Middle East. They also find the hospital expenses are very affordable. In fact Medical tourism is experiencing high annual growth rate, and government bodies in India, such as the Ministry of Tourism, have initiated a range of programs to encourage and market medical tourism. It includes marketing campaigns, improved airport and transportation services, and tax incentives. India's medical tourism sector is expected to experience an annual growth rate to 30 percent.

Medical Tourism in India: An Emerging Industry

The medical-tourism market in India is estimated at 333 million dollars (Health Care Sector Report, 2004) and is growing at 30 per cent per annum. According to a study by Mckinsey and Confederation of Indian Industry (CII), medical tourism in India can become a 2 billion dollar business by 2015. It is estimated that nearly 15,000 foreigners have been treated in India in recent years.²

Ministry of Tourism to Promote Medical Tourism

The Ministry of Tourism has requested all the state of Tourism Departments to promote medical tourism through suitable packaging of identified best hospitals and price banding for

various specific treatments. Moreover, guidelines formulated by Department of AYUSH, to prescribe minimum requirement for Ayurveda and Panchkarma Centers have also been circulated to all State Governments.³

Hi-Tech Healing Opportunities

Hi-tech medical facilities have become a necessity demand among the world's fastest growing middle class. India offers at its own doorstep, a range of world quality hospitals and treatments at a fraction of world costs with comparable success rates and service levels directly in proportion to the high value system and natural caring that comes with its millennia heritage. Indian hospitals are becoming known internationally for standards of health care.⁴

India boasts of several good private owned hospitals with facilities second to none. They have some of the best doctors, with most top end being educated in USA and UK. More and more people have started traveling to India for Medical Treatment and during the past year alone, over 1,50,000 people traveled to India for their medical requirements. Language is another favorable factor - English, which is widely spoken throughout the country and in all good hospitals. Furthermore, the costs are much lower than most countries and most importantly, there are no waiting lists. With all the media hype about medical tourism, most hospitals have geared themselves up for medical tourists from abroad⁵.

The most popular treatment requested by tourists include alternative medicine treatment, bone marrow transplants, cosmetic surgery, dentistry, infertility treatments, joint replacements, oncology services, and specialized surgeries such as eye and heart surgery, neurological problems, cancer, orthopedic procedures etc. India offers several key advantages for medical tourists, namely the affordability, the immediate availability of treatment, high standards of care, medical expertise, the availability of the latest medical technology, easy communication with doctors and nurses in English, and India's popularity as a favorite tourist's destination. Medical Package deals for patients often include prearrangements, flights, transfers, hotel and hospital stays, postoperative care, and even a vacation. This contrasts with the high costs and long waiting times in countries such as Canada the United States and Europe⁶. The lack of up-to-date technology in the Middle East,

and the non-availability of treatment in some poorer countries in Africa and the other countries of the subcontinent led to the development of medical tourism in India.

Although health care delivery is largely unregulated in India, medical services for tourists report a growing compliance with international quality standards. India has also set up its own accreditation boards; one is the National Accreditation Board for Hospitals and Healthcare Providers, which is under the supervision of the Quality Council of India. These organizations inspect and accredit health care facilities and hospitals worldwide that use internationally recognized procedures and standards⁷.

Estimate the value of medical tourism to India go as high as 2 billion a year by 2015. In 2003, Indian Finance Minister Jaswant Singh called for India to become a “global health destination”. The government has also started issuing M (medical) visa to the medical patients, and MX visas to the spouse accompanying him, which are valid for a year.

However, the biggest stumbling block preventing the rapid growth of India as a healthcare destination is its poor infrastructure⁸.

The Indian government officially recognized seven systems of medicine and supports colleges, research institutes, and clinics in these disciplines. They are

- Allopathy, or Western medicine
- Homeopathy, a system developed in Germany in the early 19th Century that uses small doses of a substance to cure diseases
- Naturopathy, a German system based on the premise that the basic cause of disease is the accumulation of morbid matter and that nature is the greatest healer
- Unani, the Islamic school of medicine with close ties to ancient Greek medicine
- Ayurveda, the ancient indigenous Indian system of medicine
- Siddha, a variation of ayurveda practiced in southern India and
- Yoga therapy⁹

Every year, thousands of patients visit India seeking treatment for their ailments and a huge number of them prefer to visit Chennai for their healthcare needs. Chennai that has emerged as a medical tourism hub for foreign patients is like **Delhi, Bangalore etc.**

Chennai

Chennai, the capital city of Tamilnadu is proud of possessing India’s best medical facilities. Chennai leads in the health care sector and is considered as the Health Capital of India.

Chennai is the home to some of the India's best health care institutions such as Apollo Hospitals, the largest health care provider in Asia¹⁰. MIOT Hospitals, Sankara Nethralaya, Sri Ramachandra Medical Center, Frontier Lifeline & K.M. Cherian Heart Foundation, Chettinad Health City and Adyar Cancer Institute, Chennai is a preferred destination for medical tourists from the globe.

Chennai is one of the fast growing big metropolitan cities of India. Chennai attracts about 45 percent of all health tourists arriving in India from abroad in addition to 30 percent to 40 percent of domestic healthy tourists. It can be stated that with large number of multi- and super-specialty hospitals equipped with the latest medical equipment's and facilities, dedicated doctors and treatment expertise of international standards, all at a relatively low cost, Chennai is a real gateway to health. Chennai is the home to some of India's best health care institutions such as [Apollo Hospitals](#), the largest health care provider in Asia, MIOT Hospitals, [Sankara Nethralaya](#), [Sri Ramachandra Medical Center](#), [Fortis Healthcare](#), Sundaram Medical Foundation (SMF), Madras Medical Mission (MMM), Frontier Lifeline & K.M. Cherian Heart Foundation, Chettinad Health City and [Adyar Cancer Institute](#). Chennai is a preferred destination for [medical tourists](#) from across the globe.

History of Medical Tourism in Chennai

The medical lineage of the city began with the first hospital in India set up at Fort St. George on 16 November 1664 by Sir Edward Winter to treat sick soldiers of the East Indian company. The hospital grew and expanded and moved out of the fort to its present location in 1772, where it stands today as the Rajiv Gandhi Government General Hospital, and was opened to Indian in 1842. In 1785, medical departments were set up in Bengal, Madras and Bombay Presidencies with 234 surgeons. Although western system medicine was brought into India by the Portuguese, the base for a systematized and widespread network of government-run hospitals in Madras only. Between 1800 and 1820, about four hospitals were formed in Madras. In 1835, Madras Medical College was founded and was one of the oldest colleges of European medicine in Asia.

In 1854, when the British government agreed to supply medicines and instruments to the growing network of minor hospitals and dispensaries, government medical stores were established in Calcutta, Madras, Bombay and Rangoon. In 1900, the Christian Medical College, Vellore was established, attracting some of the best talents in the United States. The Madras Public Health Act, the first of its kind in the country was passed in 1939. In the latter

half of the twentieth century, many prominent institutions began to appear in the city. The Cancer Institute in Adyar was set up in 1954, and Sankara Nethralaya was founded in 1976, adding to the city's reputation, and along with the Government General Hospital, served as renowned centres for diagnosis, treatment and research for decade. The establishment of the Apollo Hospital in the city in 1983 marked the advent of corporate hospitals in the country.

For long promoted for its cultural and scenic beauty, Chennai is now being put up on international map as a heaven for those seeking quality and affordable healthcare. Analysts say that as many as 150,000 medical tourists came to Chennai in 2004. Known for its hospitality for tourists, the city has opened its doors to welcome with the same hospitality to the new generation of medical tourists.

The idea of the health holiday is to offer the customers an opportunity to get away from their daily routine and come into a different relaxing surrounding. At the same time, they also receive an orientation that will help them to improve their life in terms of health and general well being. It is like rejuvenation and cleanup process on all levels- physical, mental and emotional. However, a nice blend of top-class medical expertise at attractive prices is helping a growing number of Chennai corporate hospitals like MIOT, Apollo Hospitals lure foreign patients, including from developed nations.

The reason Chennai is a favourable destination is because of its infrastructure and technology which is on par with developed countries. Chennai has some of the best hospitals and treatment centres in the world with the best facilities. Chennai in fact has built health packages designed for patients, including airport pickups, visa assistance, boarding and lodging.

Another major reason is that the hospitals here not just perform surgeries but also offer complete packages made to suit the requirement of each patient, i.e. accommodation, travel or even sightseeing facilities if the patient is fit enough. Some hospitals even have tie ups with seven star resorts where patients can go to recuperate from the surgery in a peaceful ambience and at the same time soak up the culture of the particular locality.

The doctors are counted as one of the very best. Like all Indian doctors, doctors in Chennai are also of the best quality. Many of them have earned their degrees from foreign medical colleges, and have earned experience in foreign hospitals. They have some of the very best hospitals and treatment centers in the world. Each hospital is equipped with state of the art

facilities. The technology brought into practice is the very latest, including robotic surgery. The nursing staff is reputedly very well trained, and are real good caretakers. Another edge that the city has is due to its large population of English speakers. Basically, it means that any foreign patient coming to the city for any treatment does not have to face any communication barrier. This helps to eliminate the fear of the patient facing any problem or any mishap due to miscommunication.¹¹

The city offers overseas patients the health solutions for a wide array of ailments. Chennai has a long running reputation for cancer treatment. Oncology has been a hallmark of the **healthcare system of Chennai**. People from all corners of India throng the city for treatment of this dreaded disease. Now, patients flock in from all corners of the globe for the treatment of various types of cancer. Almost all forms of cancer are treated in the medical facilities of Chennai. And the success rate of Chennai doctors in treating these diseases is one of the best in the world.

Besides, Chennai is now widely recognized as a hub for cosmetic surgery. All forms of cosmetic surgeries are successfully performed in various hospitals of Chennai at a regular basis. **Organ transplant** procedures like liver transplant, kidney transplant etc. have been quite successfully performed in quite a few hospitals in Chennai for many years now. Operations like knee transplant are also very easily performed on the foreign patients. **Orthopaedic procedures** are also much sought after by foreign patients. And Chennai has been a capable provider for all sorts of orthopaedic treatments. Apart from all these, dental treatments in Chennai are quite popular with the visiting patients. Besides the **modern treatments**, Chennai also boasts of a very vibrant traditional treatment system, namely Siddha. **Siddha** is very popular with the foreign patients and it has been found to be effective for quite a few diseases.

Surgery Planet is the most popular global medical tourism facilitator across the globe. Surgery Planet has high quality hospitals that have been accredited by JCI and other international and domestic hospital accrediting authorities. Surgery Planet has also partnered with the top service providers in the city of Chennai. So, if anyone wants to take any treatment in the city of Chennai, they can easily approach the **surgery planet and** put the patient in the top quality and the very best doctors in the state of the heart **hospitals in Chennai**. They facilitate initial discussions with the doctor and also help them with all the travelling formalities, including documents. **Surgery Planet** helps in flight booking, hotel

accommodation, and taking care of them from the airport to the hospital in Chennai. They confirm the doctor's appointment and other facilities, if there is any need. Based on the doctor's opinion and the patient's condition, they would also arrange sightseeing trips, before or after the treatment. If the recuperation is complete and would confirm with the doctor whether are fit enough to fly, before the flight home.

The attraction of Chennai for foreign tourists is also because of its scenic beauty spots. There are a quite few wonderful resorts for patients to recuperate after their treatments. The medical tourism company arranges for the recuperation stay as well.

Healthcare Institutions in Chennai

The government-aided hospitals in the city include General Hospital, Government Kilpauk Hospital, Government Royapettah Hospital, Government Stanley Hospital, Adyar Cancer Institute, TB Sanatorium, and National Institute of Siddha. The National Institute of Siddha is one of the seven apex national-level educational institutions that promote excellence in Indian system of medicine and Ayurveda. Non-profit hospitals in the city include the Hindu Mission Hospital. Some of the popular private-run hospitals in Chennai are Apollo Hospitals, Chettinad Health City, MIOT Hospital and Vasan Healthcare. The prime NABH-accredited hospitals include Chennai Apollo Specialty Hospital, Dr Mehta Hospitals, Frontier Lifeline Hospital, Global Hospitals & Health City, Sankara Nethralaya, and Vijaya Medical & Educational Trust. Apollo Hospitals Group has five hospitals in the city, including a main hospital and a speciality oncology hospital, with a total bed count of 1,100. The city has about seven palliative care units. Poonamallee High Road, one of the arterial roads of the city, has more hospitals than any other roads in the city and is known as the city's 'Med Street'. The city has an estimated 12,500 hospital beds, of which only half is used by the city's population with the rest being shared by patients from other states of the country and foreigners. It is estimated that the number of beds in multi-specialty hospitals in the private sector in the city is in the range of 5,000 beds, whereas in the public sector it is over 6,000 beds. This works to 2.1 beds per 1,000 population against the national average of less than 1 bed per 1,000 population, making the city better than other cities in the country, viz., Delhi (1.4), Mumbai (0.8), Kolkata (0.8), Hyderabad (1.5) and Bangalore (2.1). However, this still does not fulfil World Health Organisation norms of three beds per 1,000 persons. By mid-

2012, with the addition of at least 3,000 beds in four leading hospitals in the city, the private hospital sector in the city is expected to increase its bed strength by nearly 25 percent.

According to Chennai Corporation sources, there are about 250 registered laboratories in the city, although there are almost thrice as many unregistered ones. The city has six units of the state government's co-operative drug stores across the state known as *Kamadhenu* co-operative medical stores, where a wide range of 13,000 important medicines including 6,000 medicines available. The government is planning to add 10 more stores in the city.

In May 2011, Corporation of Chennai initiated an online direct health-reporting system under which all the hospitals in the city are required to provide details of the patients on a daily basis to the Corporation.

As of 2013, the city receives up to 200 foreign patients every day. The Coromandel Express, which plies between Kolkata and Chennai, is nicknamed 'Ambulance Express' in Howrah since it regularly ferries a chunk of patients from the eastern region for medical treatment at hospitals in Chennai. Foreigners, especially those from developing and underdeveloped countries such as Nigeria, Kenya, Burundi, Congo, Bangladesh, Oman and Iraq, come to the city for advanced medical care. About 150 Maldivian patients arrive at the city every day for medical treatment, which resulted in Maldivian Airlines launching a thrice-a-week direct flight from Male to Chennai. However, there are no consolidated statistics about the number of foreign patients that the city receives. Most leading hospitals, which receive a steady stream of patients from other states of India and abroad every day, have separate wings for international patients. Sri Ramachandra Medical Centre receives up to 100 overseas patients a month. Fortis Malar Hospital receives 15 to 20 foreign patients a month. Madras Medical Mission receives 14 foreign medical tourists every month, mainly from East African nations. Sankara Nethralaya receives nearly 500 overseas patients a month. MIOT Hospitals receives nearly 300 foreign patients every month.

Special certifications

With more than 75 percent of the medical tourists being from the Middle East, hospitals in the city are vying for 'halal' certification. On 14 May 2012, the city-based Global Health City became the first in the country to receive the halal certification from the Halal Development Authority. Other hospitals in the city that have applied for the certification include Mehta Hospitals and Lifeline Hospitals. Halal-friendly medical tourism services include food, prayer

hall, 'quiblah' (the direction of Mecca) sign in every room, prayer mats, copies of Quran and appointments of woman physicians for woman patients.

Supportive Infrastructure

In January 2010, Aloka Trivitron Medical Technologies Park, the country's first medical technological park, was inaugurated in the SIPCOT complex at Irungattukottai in Sirperumbudur. Spread across 25 acres, the medical technology park, a facility to produce high-tech medical equipment, is designed to house 10 international medical technology manufactures, in addition to Trivitron's own manufacturing units. The range of products to be manufactured at the medical technology park include ultrasound systems, X-ray machines, C-arm, in-vitro diagnostic reagents, modular operating theatres, operating room tables and lights, molecular diagnostic products, hem-dialysis products, cardiac diagnostic instruments, critical care instruments and implantable medical devices.

Achievements of Hospitals in Chennai

The city is most excellent in transplant surgery, with several city-based hospitals creating records in such surgeries. Chennai recorded the first ever liver transplant in the country in the Government Stanley Medical College in the 1990s.

In May 2011, the Madras Medical College opened the first-of-its-kind orthopedic Cadaveric Skills Lab to train post graduate students of any government college in the country in cadaveric dissection.

In March 2012, the Government General Hospital performed its 1,000th kidney transplant, the highest in any government hospital in the country, of which about 90 were cadaver transplants. In 2008, the state government established a cadaver transplant programme at the Chennai Medical College. The programme has a regular transplant-coordinator and a computerized network linking government and private hospitals. Apollo Hospitals and the Government General Hospital continue to be the two main sources of cadaveric organs in the city. With the organ donor rate in the state of Tamil Nadu standing at 1.2 per million populations, which is 15 times the national average, Chennai acts as a hub of deceased organ donation in India.

In 2009, a group of doctors and specialists in Chennai and Coimbatore registered the successful treatment of thalassemia in a child using a sibling's umbilical cord blood.

A wellness card for the medical tourist

Recently, Prime India, a company specialising in medical tourism for the last 20 years, launched the concept of a wellness card for the medical tourist. According to that if you live abroad but want to come to India for treatment when you fall ill, then, all you need is an international wellness card. It offers not just treatment but also assures the holder a reasonable deal in a hospital here.

According to Prime India's advisor says R. Ayappan, group advisor, "Now, we are also looking at people who are healthy. We want to issue a membership card for a family of say, five. The card can be purchased for a two digit dollar figure and any family member who falls sick can benefit. We will do the handholding from airport to airport. We will get them a good deal in the hospital also. He further says that, if the card is not used in a year, bonus points would be added to the card when it is renewed.

Prime India has 12 partners in Asia and Africa, who will enrol members and hospitals that would like to tie up with Indian hospitals. "During the period of membership, a member will receive e-mail updates on the changes in Indian medical field, like someone using a new technique in a hospital".

Another benefit of possessing a health card is having access to a database to store medical files. When a cardholder is being treated in India, the family can access the details of the treatment through a unique password, specific to the cardholder, thus maintaining patient confidentiality. The cardholder would also get add-on benefits such as cell phones and special rates during hospitalisation.

Prime India has registered with most large private hospitals in the city. In March 14, 2012 representatives of several of the large hospitals were present at the launch of the international wellness card. The company is also launching a medicos360, a health recruitment portal.¹²

In August 2011, the state government decided to convert the much controversial, half-constructed Assembly-Secretariat complex in the city, built at an estimated ₹10,920 million, into a multi-specialty hospital. The city-based KM Cherian-promoted Frontier Lifeline has proposed a ₹ 10,000-million medicity project named Frontier Mediville on 350 acres of land of which 42 acres had received special economic zone (SEZ) status from the central government in 2009. Located at Elavur village, 40 km from the city centre, the project will be

executed in three phases. First phases will comprise a medical science park in the SEZ zone. It also includes a research and training centre and an animal laboratory to house clinical research organisations. The second will costing ₹ 5,000 million includes a ₹ 1,440-million bio hospital with 200 beds in the SEZ. The bio hospital is expected to be the first of its kind in India, designed as tertiary care in all sub-specialties of medicine supported by modern basic sciences including stem cell technology, tissue engineering and nanotechnology, which would also focus on integration of traditional and alternate medicinal technologies such as ayurveda, naturopathy, and siddha to the services. The second phase also includes another 750-bed multi speciality general hospital to be developed outside the SEZ.

Thus the Medical tourism is the practice of a patient “outsourcing” healthcare services to an area outside of his/her home country. Medical travel is becoming more popular, as more people realize its benefits. The main benefits of health tourism include getting the opportunity to travel to an exotic destination and reaping potentially big monetary savings¹³.

Indian Health care Federation, in association with the confederation of Indian Industry, has also prepared a guide on select Indian cities and corresponding hospitals and a guide on suggested uniform price band for different specialty services cardiology and cardiac surgery, minimal invasive surgery & therapeutic endoscopy, orthopedics and oncology for Indian hospitals for promoting Health Tourism.

For promoting India as Medical and Health Tourism Destination, Ministry of Tourism has recently produced a CD ROM on Medical Tourism which was released by Hon’ble Minister of Tourism & Culture in a function jointly organized by Ministry by Health & Family Welfare, Ministry of Tourism and CII at a Le Meridian Hotel held on 30th August 2006.

Yoga or Ayurveda or Wellness has been promoted over the last two years in the print, electronic, internet and outdoor media under the Ministry of Tourism’s ‘Incredible India’ campaign. Contests are organized to spread awareness about the product.

The government has introduced various tariff and non-tariff measures in order to further stimulate market development in the healthcare sector to offer critical care services. This is expected to lower the cost of treatment for patients suffering from life threatening ailments. Over time this will lead to greater private sector investments in healthcare resulting in lower treatment costs. The National Health Policy 2002 declares that treatment of foreign patients is legally an “export” and deemed “eligible for all fiscal incentives extended to export

earnings”. The National Health Policy 2002 allows private hospitals treating such patients to enjoy benefits such as lower import duties on medical equipment (25 percent to 5 percent), increase in the rate of depreciation (from 25 percent to 40 percent) for life-saving medical equipment, reduced customs duty on medical, surgical, dental and veterinary furniture (16 percent to 8 percent) and other tax soaps. Besides Infrastructure status has been conferred (under Section 10(23G) of the Income Tax Act to private hospitals to raise cheaper long-term capital. The government has announced income tax exemption under section 80 I B of Income Tax Act for the first five years to hospitals (with 100 beds or more) set up in rural areas¹⁴.

03. CONCLUSION

Chennai has never been lacking in multi-specialty hospitals and they are smart to see the potential much before the rest of the nation did. Chennai aggressively promoted the concept of medical tourism, serving not only domestic tourists but also those from the rest of the world coming over to be healed. Chennai’s advantage is its position on the global map and ease of accessibility, besides the presence of many specialists and care centers, offering service at affordable rates.

The Tamil Nadu Tourism Development Corporation (TTDC) had identified a voluntary non-profit medical organisation “Meditour India” as nodal agency for promoting medical tourism in the State, involving medical practitioners, tourism department staff and medical department nominees. A special medical tourism desk has been set up at the Tamilnadu Tourism Development Corporation office on Wallajah Road. Tourist guide K. N. Anandhi, who often accompanies foreigners seeking Medicare in India, says that with the right kind of impetus from the State Government medical tourism could scale to even greater heights.

In order to promote Medical Tourism, new category of Visa, “Medical Visa” (M-Visa) has been introduced by Ministry of Home Affairs, Government of India, which can be given for specific purposes to foreign tourists coming to India for medical treatment This has been circulated to all the overseas by Indian tourism offices for publicity at various international platforms such as World Travel Mart, London; ITB Berlin, etc. for medical tourists.

The increase in overseas patients' visit to the city has paved way for companies to facilitate medical tourism. Chennai is increasingly becoming a hub of medical tourism. According to a

study by Confederation of Indian Industries (CII), Chennai attracts about 45 percent of the country's medical tourists.

According to the Associated Chambers of Commerce and Industry of India, Chennai is expected to grow at an estimated 30 percent per year, which is expected to become worth about ₹ 95,000 million by 2015¹⁵.

Chennai is the epicenter of India's medical tourism industry, attracting patients with its cheap health care, top-of-the-range medical technology and English-speaking Chennai doctors.

“The potential of Chennai is very good as a health tourism hub. The number of patients we are getting has doubled in the last five years. ,” says PVA Mohan Das, Managing Director of MIOT Hospitals. Chennai's advantage is its position on the global map and ease of accessibility, besides the presence of many specialists and care centers, offering service at affordable rates. “Our aim is to make Tamil Nadu a global healing destination,” says M. Rajaram, former Director of Tourism and Managing Director of Tamil Nadu Tourism Development Corporation.

Appendix

The Consumer Profile

Group	Description	Countries	Demand Driver
I	Non-Residential Indians	Numbering 25 million across the world	Low cost Healthcare combined with trip back to hometown to family and friends
II	Patients from Countries with Underdeveloped Facilities	Nepal, Burma, Bangladesh, African Countries, Middle East Countries, Latin America	Quality healthcare at affordable prices not available in their home country.
III	Patients from developed countries	U.S.A., U.K., Canada	Low cost of healthcare, capacity constrains for services in home country/treatment not covered under any health insurance

Another USP of India is that it provides ‘healing holidays’ through Ayurveda and rejuvenation packages in Naturopathy. Most of these packages are offered at resorts in Kerala (the God’s Own Country, as its corporate slogan speaks of), to some extent in Karnataka, Tamil Nadu and a couple of them in Western Uttar Pradesh.

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[07]

IMPORTANCE OF HUMAN RESOURCES DEVELOPMENT IN HOSPITALITY SECTOR THROUGH COMPETENCY BASED TRAINING

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Abstract

The presentation is on multi-perspective recommendations playing a critical role in the service economy with training needs of the hospitality & tourism industry in South Asia.

Hospitality Sector is considered to be a thrust sector. To address the industry challenges , public workplace investment is through competency based training assuring employment according to demand driven industry requirement of sub-sectors. It is a key entry point into the labor force as it provides jobs to youths of the country. It opens up variety of career opportunities from restaurant cooks/chefs to hotel desk clerks. These positions range from short term on the job training to higher degree programs. Human resources are the biggest assets of a country. Through need based & demand driven training & development on job analysis, job specification, & productivity standards should give utmost importance to excel in this sector. For recruitment process, emphasis is given on structured , unstructured & semi-structured interviews to assess people before placement. Evaluation of human resources is after assessment of criteria based on Outstanding, Excellence, Very Good, Average & Below average.

Consequences of turnover is always due to mentoring, overcoming the barriers with employment projected within five(5)years growth for future forecasting. Employment growth will be excelled due to competency based training with industry requirements. With best human resources practices, hands –on exposure with strategic planning with a vision to train , certify & recognize decreasing the gap between skilled & unskilled. Thus assisting in increasing skilled man-power for local & national level , linking with production export & migration to foreign lands.

[09]

RESEARCH ON THE MANAGEMENT TRAINEE CORE COMPETENCY OF THE FRANCHISING RESTAURANT

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Management trainee jobs are a way for an up-and-coming employee to learn the ins and outs of a manager position in franchise restaurant. The purpose of the study is develops the core competencies essential to management trainee of the chain restaurant industry. Preferred management trainee competencies are compared between industries as well as hospitality scholars, and modified Delphi and multiple criteria decision making methods are applied to rank the importance of each criterion. The four stakeholders are 1.senior executive and manager 2.management trainee and equivalent position staff 3.frontline employee 4.hospitality scholar. The results indicate that competencies differ substantially between stakeholders. The top three criteria in the order of importance are as follows:

- 1. The capability to provide remedies for the deficiencies in the company's management systems on a timely basis*
- 2. Self-restraint and professional ethics*
- 3. Customer relationship management(CRM) capability*

Preliminary phases of the study yield the development of an instrument for determining the significance of competencies in newly hired management trainees. Finally, evaluation model are given for chain restaurant industries attempting to improve the preparation of individuals for successful entry into the industry. The result in the paper also proposes criteria to provide manager, and trainee for training planning also the curriculum references for the management training programs in multi unit franchising restaurant.

Keywords: *MCDM (multiple criteria decision making), management trainee, competency 、chain restaurant*

Abstract

01. INTRODUCTION

The food service industry has often struggled to attract quality talent because its output value is low, wages are relatively low in Taiwan (Table 1-1), and the number of work hours per week is high. Low pay has long made it hard to attract and retain talent. Recruitment has been a major obstacle to the development of the food service industry. However, with the structural change of the industry, occupation/career structures have transformed significantly in the last twenty years in Taiwan. Concerning changes in trade structures, in 1990, the percentage of agriculture industry has dropped from 12.30% in 1990 to 5.03% in 2013. Industry also dropped from 41.72% to 36.26%. In contrast, the service industry has risen from 45.99% to 58.71%

Table 1. Food Service Industry Salary Changes in the Last 10 Years in Taiwan

Industry Type	2009 Average Monthly Salary	Wage Change in the Last 10 Years	Real Change in the Last 10 Years
Food Service Industry	24,027	3.4%	-6.1%

Source: (Shih 2012)

Background of Cross Strait Chain Food Service Restaurant Status

Formerly, China's role was being the world's factory, but the country's citizens' income has risen, and now China's consumers are increasingly seeking lifestyles enriched with high quality service, goods, and entertainment. As a result, an enormous market of 1.3 billion citizens has come into existence. Since 2007, more than 30 thousand Taiwanese chain stores have entered China for the purpose of duplicating their successful business experiences to China, and hope that they can turn their successful experiences into more business profits. In addition, over dozens of chain restaurant firms in Taiwan offer their stock to the public market for the first time, they are moving from private to public ownership. These food

service initial public offerings (IPO) firms often are considered more successful than other small organization.

Among the industries, the food service industry's development has been the most successful (Table 2). Mainland China's domestic demand is expanding, which is causing adjustments to be made to industry structures, and this situation will inevitably cause China's service industry to become larger (Hong 2013).

Since the signing of cross straits economic cooperation framework agreement (ECFA) and cross straits agreement on trade in service, from chain brands to small stores, and from basic necessities to education and entertainment, an enormous number of companies have desired to do business in China, and countless Taiwanese are trying to grab onto the market's available wealth. As a result of the above situation, the Third Wave of the Taiwan Service Industry Landing in China has been launched (Lin 2010). With the rising domestic demand and consumption levels in China, the Taiwanese chain food service industry has relied on it being in a leading position for the last several years to do business and make great wealth in China, and its territory in China has been consistently expanding. Chain food service businesses such as Cross straits Café, 85°C bakery Café, Mos Burger, Wow Prime, Tripod King, Laya Burger, Zoe International, Thai Town Cuisine, Cha time, CoCo fresh tea and juice, My warm day, RBT, Eat together, How Sweet, Christine International Holdings Limited have had their chain brands flourish in the mainland, and they have already prepared list their company on various stock markets. Furthermore, the chain companies are raising fund and resources so that they are able to expand their scale of operations. Furthermore, local Taiwanese bakery café brand 85°C and Wow prime steak are the representative companies of the Third Wave China Landing. Business has been lucrative for them; 85°C jumped to 400 NTD dollars (13.5USD) immediately after it hit the market, and foodservice operator Wow prime steak set a 538NTD (18.2USD) mark on the first day it was listed on the stock market.

In June 2010, Japanese business and corporate strategist Kenichi Ohmae came to Taiwan to deliver a speech that pointed out mainland Chinese incomes had doubled, RMB had appreciated, the number of physical laborers had dropped, and the successful model of manufacturing subcontracting work in China that Taiwan businessmen have relied on is coming to an end. In 2008, many Taiwanese changed their lines of work due to structural changes, and many professions experienced transfers. If professions are viewed by their gross transfer rate for workers gained, the support service industry occupied the highest percentage

at 17.41%. The arts, entertainment, and recreation industry came in at second with 17.30%. Concerning net transfer rate, the agriculture industry is in the negative since the industry is in a state of losing workers. All industrial fields, except the construction industry, are in the positive since the industry is in a state of gaining workers. The service industry's wholesale and retail industry; specialized, scientific, and technical services industry; support services industry; information and communication industry; and the real estate industry are all gaining workers. All other sectors of the service industry are losing workers. By observing the net loss of workers who left their industry from the past year, we will find that the construction industry had lost the largest amount of workers at 10,000 people. Concerning the net gain of workers, the wholesale and retail industry ranked first at 13,000 people (Hong 2013)

Table 2. Taiwanese Chain Food Service Industry, Stores Added in China

Chain Food Service Industry	Operations Plan
Cross straits Café	Listed in Shanghai in 2012, and will open 5 thousand Cafés in the next 10 years.
Christine International Holdings Limited	Hit the Hong Kong market in 2011. Pizza shops and chain coffee shops have been opened.
8 Way Fried Dumpling	It first opened stores in China's 2 nd level cities and China's 3 rd level cities. A flagship store was established in Shanghai.
RBT(happy lemon)	It has already received its stock symbol and returned to Taiwan. It may hit the market anytime.
AH-2 tea	It will speed up the affiliation process pace, to create 200 more stores
85°C	It is developing more 460 locations so that it will eventually reach a goal of having more than 500 stores.
Chamate	It is projected to have 200 stores by the end of this year.

The direct links advantages of ECFA will be succeeded by the service industry, and the agreement has created new business opportunities for the Taiwanese service industry. Unfortunately, the 2008 economic recession inflicted heavy damage on the export-dependent

Taiwanese economy. As a result, the service industry has been guided to become Taiwan's new economic growth generator due to the country not wanting to be overly dependent on the information and communications industry (ICT). The Taiwanese government's "Service Industry Development Plan" was created to improve the development of the service industry's various sectors and aid in strengthening the service industry's exporting ability. The purposes of the Service Industry Development Plan are to expand service trade, improve international promotion of products, strengthen the service industry's international competitiveness; increase research and development funds, improve fund financing, strengthen collaboration within the industry and provide resources for product innovation to strengthen the innovation ability of research and development in the service industry; develop the service industry's brands, improve service quality and promote the manufacturing industry to be service-oriented and the service industry technology-oriented, to create differentiated services. The preferential trade agreement estimated that by 2012 the GDP of service industry would reach 12 trillion NTD dollars (4.063 million USD) the number of people employed in the service industry would increase by 120,000 each year, boost the service industry's export flow, and raise the service industry's export quantity to be 1.2% of all world exports. Overall, the plan has been seen as a new generator of growth for the Taiwanese economy (Hong 2013).

The chain food service industry already has set Standard Operational Procedure (SOP) for workflow, and the companies' foreign management is both very capable and a duplicate of the domestic version. Overall, the industry has the potential to develop itself in China. The chain food service industry, which makes up the biggest part of the service industry, has the best potential to shine in China. If the Taiwanese chain food service provider develops according to the situation above, numerous Taiwanese chain restaurant brands will both develop themselves and build stores in China. However, during the development process of creating new stores, the major complication of these companies will be not being able to find enough work talent. The lack of talented management dilemma has gone far enough to the point that it has affected store development plans as well as the time it takes to open new stores.

The management personnel of the developing service industry in China need to be trained in leadership ability so that they can effectively manage Chinese employees. In China, demand for workers is greater than the supply. To make matters worse, leaders who are People's

Republic of China citizens often compare their jobs with their friends and former classmates, and once they hear about a company that offers a higher salary they will leave their former company for the better paying organization. As a result, the employee turnover rate is overwhelmingly high in China. The advantage of Taiwanese talent is that they place a lot of value in the meaning and importance of the service industry, they are very creative, and their etiquette and problem response skills are refined. Furthermore, they are also very loyal and can be trusted. In general, Taiwanese talent is quite skilled, and this is why many corporations and Taiwanese businessmen recruit future leadership talent in Taiwan that can be sent abroad. The most important aspect of the service industry is taking care of the needs and wants of local customers, and this is why Taiwanese businessmen, which are familiar with China's market, have an advantage in the service industry in China. In addition, the Taiwan service industry developed innovative business concepts earlier than China, and the island also had international contact and experiences with foreign countries before the China. Overall, interaction and collaboration between China and Taiwan should speed up the development of the service industry.

Management Development Program

Within the food service industry the approach to trainee management courses varies considerably. The management trainee, future leadership talent selected is almost always highly educated with little work experience. After they are hired, they work in various departments and establishments to learn and acquire practical experience. They will consist of job rotation through a variety of jobs for a sometimes indeterminate period of time. The trainees' progress will be carefully monitored by the managers responsible for them. As the first step in a young manager's career, the design of trainee managers' courses is critical. After two or three years of training their positions are already at a management level, and at this point they are given employees to oversee. For example, a person who has worked in the chain food service industry for at least a couple years and has accumulated a good amount of experience and gone through the processes of many difficult situations can become a supervisor or leader in lower or middle management. The future leadership talents in their first three to five years in the organization are supposed to go from "people who are to be obeyed" to "people who are to be submitted to", and finally, "people who are respected". The assimilation of leadership talent into the organizational culture comes via management

taking highly qualified coworkers under their wings until they meet the expectations and standards of the organization. Also, the performance of the future leadership talent needs to display professional skills as well as leadership and social abilities. Due to the importance of talented service industry leadership, this study analyzes and compares the competencies future leadership talent must have.

This model can be used by chain food service industry in selecting trainees while recruiting. These results can also be used as reference standard for chain restaurant in selecting and determining the promotion of potential management trainee to manager. This research also provides managerial implications for the stakeholders such as senior executive and manager.

02. LITERATURE REVIEW

Studies on the professional competencies within the hospitality industry are numerous. Competence is a widely accepted set of evaluation standard. It is the integration of relevant knowledge, skills and attitude and can be improved by training and development. Past research explore the competencies of lodging industry and hospitality industry management trainee have received much attention(Tsai, Gho et al. 2006, Huang and Lin 2010), because the positive benefits of this group's in terms of increased productivity and moral gradually are being recognized.

03. RESEARCH METHODOLOGY

A comprehensive literature review on competencies indicators of food service industry is available in the text. First, we collected a series of indicators of competencies from the literature related to management trainee. Second, the Delphi technique was used to refine and identify the final indicators for competencies evaluation according to the characteristics of our study case. Third, the Analytic Hierarchy Process (AHP) was applied to calculate the weight of each criterion after the evaluation criteria hierarchy was constructed. Next, all indicators on the core competency were compiled, processed and analyzed by SPSS for Windows 12.0 Version (2007) software package.

The subjects of the pre-testing survey included 7 chain food service industry medium or large unit manager, as well as training officer from 5 chain restaurant. Reconfirmation of reliability

analysis was performed for the factors by SPSS with the benchmark Cronbach's alpha > 0.70, it means internal consistency with homogenous and reflect the same underlying constructs.

Table 3: The Reliability Analysis

Dimension	Mean	Cronbach's alpha	Source
Personality	3.55	0.691	(Weber, Finley et al. 2009) (Agut, Grau et al. 2003) (Tas, LaBrecaue et al. 1996)
The concept of performance management	3.93	0.747	(Kay and Russette 2000) (Tas, LaBrecaue et al. 1996) (Chung-Herrera, Enz et al. 2003) (Agut, Grau et al. 2003)
Basic professional capabilities	3.67	0.802	(Tsai, Gho et al. 2006) (Kay and Russette 2000) (Huang and Lin 2010)
Setting a good example for employees	3.44	0.744	(Agut, Grau et al. 2003) (Chung-Herrera, Enz et al. 2003) (Tsai, Gho et al. 2006)

Table 4: The evaluation criteria

Personality	High EQ and AQ to cultivate the ability to remain calm when facing challenges
	High degree of <i>professionalism</i> and <i>helpfulness</i> (perseverance, responsibility and <i>positivity</i>)
	Cheerful, initiative and optimistic learning ability
The concept of performance management	Customer relationship management (CRM) capability
	The capability to execute company regulations (rewards and punishments) and SOP
	The capability to provide remedies for the deficiencies in the company's management systems on a timely basis
Basic professional capabilities	Administration and in-store marketing planning
	<i>Team</i> supervision and motivation <i>skills</i>
	Familiar with the existing management information system to achieve the annual targets in each department

	<i>Practical skills in on-site operations</i>
	Professional skills of supervising shift operations, and employing and developing crew members
Setting a good example for employees	Self-restraint and professional ethics
	High standards of work performance
	Professional image and appearance

Table 5 Respondent Profile

Survey Respondent		n	%
Gender	Male	127	45%
	Female	153	55%
Position	senior executive and manager	62	22%
	management trainees and fellow supervisors	31	64%
	frontline employee	179	11%
	hospitality scholar	8	3%
Industry service years	Less than 1 yr	103	37%
	1-3 yrs	79	28%
	4-6 yrs	44	16%
	7-9 yrs	17	6%
	9 yrs or above	37	13%
Education	High School	23	8%
	Junior or some college	77	28%
	University degree	109	39%
	Graduate school	62	22%
	Doctor	9	3%
Hospitality related Degree	Yes	85	30%
	No	195	70%

04. DISCUSSION

1. customer relationship management(CRM) capability

This factor takes second place in the ranking results of the overall assessment. Among the four stakeholders, it was ranked first by the senior executive and manager, second by hospitality scholar, fourth by the management trainees and fellow supervisors, and third by the frontline employee in the same department. The ranking results suggest that customer relationship management capability is part of the on-site practices in which management trainees have relatively little experience. The four stakeholders hold similar views that management trainees should develop a good customer relationship management capacity. Former research identify customer needs in a timely manner (Siu 1998) and respond directly to customer needs immediately when they become junior supervisor position. Furthermore, their view is also consistent not only with (Tsai, Gho et al. 2006) who argue for understanding and managing customer needs with high sensitivity, and developing positive customer relationship but also with (Huang and Lin 2010) who advocate providing personalized customer care.

2. The capability to execute company regulations (rewards and punishments) and SOP

This factor takes fourth place in the ranking results of the overall assessment. Among the four stakeholders, it was ranked sixth by the senior executive and manager, second by the management trainee and equivalent position staff and fifth by the hospitality scholar as well as frontline employee. The ranking results suggest that management associates must have a full understanding of the company's standard operating procedures(Tas, LaBrecaue et al. 1996) and corporate culture in order to supervise and manage subordinates' work performance with timely rewards and punishments. The four stakeholders share similar views on this issue and their opinions are consistent with (Tsai, Gho et al. 2006) who emphasize the importance of learning all administrative procedures in a hospitality industry and of facilitating day-to-day operations through research and development.

3. The capability to provide remedies for the deficiencies in the company's management systems on a timely basis

This factor takes first place in the ranking results of the overall assessment. It was ranked second by the senior executive and manager but first by the other related parties. The ranking results suggest that management trainees are likely to become the company's leaders in the

future with responsibilities to establish adequate management policies. They should develop a comprehensive perspective and conduct in-depth analyses to bring forward recommendations for better company performance. Therefore, management trainees should rotate through various departments and establishments to find out the long-standing abuse of the company ((Kay and Russette 2000). It is deemed important to come up with remedies, but it is even more important to have effective communication skills, to give feedback, and to have reasonable *persuasion skills*. The other three stakeholders hold similar views and believe it is crucial for management trainees to develop the capability to bring forth remedies for the deficiencies in the company's management systems on a timely basis. This finding is consistent with the view of identifying problems while solving and managing problems at the same time (Huang and Lin 2010)

It is expected that management trainees should develop the competency to provide remedies for the deficiencies in the company's management systems on a timely basis. In reality, however, one should consider the possibility that it can be difficult for new management trainee to discover problems, report them, and bring forth solutions.

4. Practical skills in on-site operations

This factor takes fourth place in the ranking results of the overall assessment. Among the three stakeholders, it was ranked second by the senior executive and manager, fourth by the management trainee and equivalent position staff as well as hospitality scholar, and third by the frontline employee. The ranking results suggest that the main job duties in the chain restaurant industry include *on-site operations and practices and customer service (Horng, Hsu et al. 2011)*. Management trainees should exercise *supervisory function*, and to successfully supervise and manage *frontline employees*, management trainees must have practical skills *to support on-site operations to build staff trust and loyalty*. Thee *four* stakeholders share similar views on this issue.

5. Self-restraint and professional ethics

This factor takes second place in the ranking results of the overall assessment. Among the three stakeholders, it was ranked fourth by the senior executive and manager, and second by the management trainee and equivalent position staff as well as frontline employee, third by hospitality scholar. The ranking results suggest that management trainees usually have a higher level of education, they may easily become arrogant and over confident in the chain restaurant industry.

These weaknesses may not be merely lack of knowledge or skill but rather may be of a personality or attitudinal nature and often very difficult to correct even if it were in the individual's interest to do so.

Furthermore, under the impact of different cultures (Tsang 2011), the moral and social values of the younger generation have undergone dramatic changes, and *work* ethics don't *exist anymore among the young people* (Tas, LaBrecaue et al. 1996). Management trainees are the successors to unit managers as well as other executive positions. To set a good example for employees, they should adjust their work attitudes, and establish morally sound *values and* standards of integrity and *ethical* conduct. Hence, it is vital to develop self-restraint and professional ethics. *Thee four* stakeholders share similar views on this issue.

6. Cheerful, initiative and optimistic learning ability

This factor takes fourteenth place in the ranking results of the overall assessment. Among the three related parties, it was ranked thirteenth by the senior executive and manager, fourteenth by the management trainee and equivalent position staff as well as hospitality scholar, and twelfth by the frontline employee. The ranking results suggest that the chain restaurant industry is part of the service sector of which a typical characteristic is customer contact. It is expected that management trainees should have an indispensable innate personality trait of cheerfulness and enjoy interacting with people (Agut, Grau et al. 2003). An attitude of learning and sharing is essential to any career and the three stakeholders do not rate this competency among the top ten priorities. This view is also shared by *the four* stakeholders.

7. Administration and in-store marketing planning

This factor takes thirteenth place in the ranking results of the overall assessment. Among the three stakeholders, it was ranked thirteenth by the senior executive and manager, thirteenth by the management trainee and equivalent position staff, and fourteenth by the frontline employee, twelveteenth by hospitality scholar. The ranking results suggest that in reality, management trainees are the junior pre-supervisory position or supporter of unit managers. Without sufficient experience, administration and in-store marketing planning capabilities should be developed in the future, not in the current stage (Agut, Grau et al. 2003, Kay and Moncarz 2004, Horng, Hsu et al. 2011) thus, the four stakeholders do not rate this competency among the top ten priorities. This view is consistently shared by *the four* stakeholders, and by (Tsai, Gho et al. 2006) who argue for the importance of learning all the *hotel administrative procedures*.

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[09]

Sales Competency Identification: A Thai Incentive Travel Business Case

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Abstract

Thailand strives to promote the MICE sector in order to even off the seasonal demand of the tourism industry, which has secured the economic and social welfare of the nation for decades through foreign income and employment. However, the productivity of Thailand its MICE human capital is considerably lower than that of many other leading MICE regional destinations (18 times lower than Singapore, for example). Human resource management and development warranted urgent attention from stakeholders of the industry. Competency-based human resource management has been recognized for its superiority to a task-based approach due to its ability to facilitate employees' versatility and adaptability to external changes and growth plans. To improve the productivity of Incentive Travel, a component of the MICE industry, threshold and differing competencies must be identified. Through structured in-depth interviews with different groups of stakeholders of Incentive Travel's sales executive about threshold, differing, and ideal performance and competencies in regard to knowledge, skills, and attributes, competencies of such a position were identified. The researchers found that threshold competencies mismatched the key success factors of the Incentive Travel Industry. Only differing and ideal competencies, which can rarely be found in job incumbents, would contribute to the achievement of success factors. Discrepancies of stakeholders' expectations were found. Job descriptions were developed from a task-based approach and were vaguely formulated. Apart from competencies, organizational conditions, especially organizational culture and leadership styles, might enhance or decrease the competency potential of employees. A competency-based approach to human capital management is advised by focusing on competencies that contribute to the key success factors

Keywords: *Thailand. MICE. Incentive Travel. Competency. Human Resource Management*

01. INTRODUCTION

Business Travel, which is a broader view of MICE (Meeting, Incentive Travel, Convention, and Exhibition), otherwise known as the Business Event Industry, has increased its significance in most destinations, including Thailand, over decades. Thailand used the MICE industry to even out the demand for its tourism products due to seasonality of its reputable leisure tourism markets. This sector also attracts much attention from business operators for business travelers' reputation of high spending and their destination friendly behaviors (Firoiu, Dodu, & Patrichi, 2011). Considering the Thailand Travel and Tourism Competitive Index 2013, in which Thailand was ranked 43rd out of 140 countries and 9th in the Pacific Asia sub-region, the sub-indices also showed impediments to its competitiveness in regard to Business Travel and MICE (Blanke & Chiesa, 2013). Thailand was ranked 90th in regard to ICE infrastructure and 77th in regard to regulatory and legal environment, and 70th in regard to human resources. Within the human resources index, quality of education system and availability of skilled labor also seemed problematic, which is consistent with the results shown in the Barnes Report about the statistics of Convention and Exhibition Industries worldwide (Barnes Report, 2010; Blanke & Chiesa, 2013). Table 1 illustrates the average sales per employee of Thailand's convention and exhibition business as compared to its neighboring countries.

Table 1: Comparative statistics of sales per employee of Thailand with neighboring countries

<i>Country</i>	<i>Sales/ Employee</i>	<i>PPP Ratio</i>	<i>PPP Sales/ Employee</i>	<i>Efficiency Ratio</i>
Singapore	340,631	1.377	469,048.89	18.08
Australia	135,533	0.851	115,338.58	4.45
New Zealand	114,590	0.973	111,496.07	4.30
Japan	108,873	0.819	89,166.99	3.44
South Korea	20,549	1.634	33,577.07	1.29
Malaysia	15,191	1.966	29,865.51	1.15
Thailand	12,551	2.067	25,942.92	1.00

China	12,698	1.81	22,983.38	0.89
Indonesia	8,084	1.769	14,300.60	0.55
India	4,026	2.816	11,337.22	0.44
Philippines	4,601	2.006	9,229.61	0.36

Adapted from: (Barnes Report, 2010)

Table One shows sales per employee of average Thai convention and exhibition companies adjusted by the purchasing power parity (PPP) to ensure comparability of the number of countries of different levels of cost of living. Thailand had 12,551 US\$ sales per employee, equivalent to 25,942 US\$ after adjusting the outstanding figure by PPP. Using Thailand as the basis for comparison, it can be seen that Thai convention and exhibition employees are 18 times less productive than those of Singapore and 4-5 time less productive than those of Australia and New Zealand. The statistics also show that the peer competing destinations of Thai convention and exhibition firms are South Korea, Malaysia and China.

It can be argued, however, that the productivity ratio as compared to neighboring countries cannot be attributed to employees' productivity alone. There might also be industrial, market, and organizational as well as destination factors that influence the figures shown in the above table. Despite such facts, personnel productivity cannot be left out of consideration when determining strategic ways to increase the competitiveness of the Thai MICE sector.

Competition among firms and nations is not limited only to market factors but also to the development, attraction, retention, and motivation of talents (Testa & Sipe, 2012). Human resource management and development has increased its role in the modern business environment, where changes are happening at an unprecedented rate (Jain & Haley, 2009) in from unpredictable directions (Roland Berger Strategy Consultants GMBH, 2011), and humans are now regarded as a type of major capital, which can be appreciated or depreciated with good or bad management like other types of assets.

Thailand's entrance to the ASEAN Economic Community, when skilled labor and foreign capital are expected to fluctuate in the country, means that opportunities and threats avail themselves for Thai MICE operators and labor market to conquer (Economic Intelligence Center: Siam Commercial Bank, 2011). The Mutual Recognition Arrangement (MRA), through the use of the ASEAN Common Competency Standards (ACCS), is now used to

ensure mutually agreed minimal standards for personnel in different sectors, according to the ASEAN Free Trade Agreement on Services (AFAS), which now covers seven professional areas including Tourism and Hotel (ASEAN Secretariat Office, 2009; Department of Trade Negotiation, 2012). The Common Competency Standards for Tourism Professionals cover 32 positions in Hotel and Tourism Industry (Soydhum, 2012; Tourism Personnel Development Institute: Ministry of Tourism and Sports, 2011). Although the completed competency standards and reinforced do not yet cover any positions in the MICE industry, it is expected that the standard framework will expand itself to positions in the MICE industry in the foreseeable future. It would, therefore, be more beneficial for the whole industry as well as for educators and the future workforce to increase the work standards by taking an active stance through the development of its own professional standards at the national level before the standard framework prescribed by ASEAN secretariat is imposed on it, which will lead to the country competing with other destinations from a reactive stance. The two major MICE industry professional associations, the Thailand Incentive and Convention Association (TICA) and the Thai Exhibition Association (TEA), have been well aware of these potential challenges and are acting to set their own job standards at the earliest possible opportunity.

Within the MICE industry, Incentive Travel is one of the major sub-industries with high revenue generating power reputation (Ricci & Holland, 1992) and a wide range of services consumed from local businesses (Severt & Breiter, 2010). Despite the fact that incentive travel clients and the participants want to create an experience that awes participants while inducing desirable behavioral changes towards exceptional performance through recognition and trophy experience, one conflicting point of interest between host and participants can be identified, namely budget and quality (Incentive Travel Council & SITE International, 2012; Severt & Breiter, 2010; Shinew & Backman, 1995). On this point, Thailand can capitalize its “value for money” image it has been well recognized by business travelers from all over the world as the first destination that offers such a benefit (Future Brand Index, 2011) by offering a trophic experience for participants within the budget range of the host organizations. It is the sales agent or sales representative’s competence in designing the program that excites and impresses the clients’ organization within their constraints that determines the success of business. The work standards of sales representatives should, hence, be a priority to be developed to serve as guidelines for personnel management and development, both by practitioners and educators nurturing graduates to serve the sector.

Amid changes, working natures and industry dynamism need to plan the workforce to be adaptive and versatile to uncertainties of the industry and the market (Hirvonen, 2011). Competency-based human resources and development are gaining higher acceptance from both scholars and practitioners as compared to their task-based counterparts (Bhatawdekar & Bhatawdekar, 2012; Holton III, Coco, Lowe, & Dutsch, 2008). A competency-based approach to human resources management and development also allows the management to take a long-term approach to each human capital it has by planning their career path, growth and succession plans (Bhatawdekar & Bhatawdekar, 2012; Soderquist, Papalexandris, Ioannou, & Prastacos, 2010). Considering both the importance of the Incentive Travel subsector's role in MICE and Tourism as a whole and the uncertainties of working and competitive environments, this particular study aims to

- Identify competencies required for a sales executive in the Thai Incentive Travel Business
- Identify competencies that distinguish top performers and average performers as Sales Executives in the Thai Incentive Travel Business
- Provide decision guidelines for human resources managers and job supervisors in recruiting, evaluating, training, and retaining Sales Executives in the Incentive Travel Business in Thailand

02. THEORETICAL BACKGROUND

Incentive Travel

Among the MICE sub-industries, Incentive Travel is the most desirable market in regard to destination tourism management bureaus due to the high spending power of clients and the number of services and products consumed by both clients and participants thanks to their nature of fantasy experience creation and other team-building activities included in the program to further motivate already exceptionally productive performers to shift their behaviors towards another level desired by the companies' management (Ricci & Holland, 1992; Severt & Breiter, 2010). As a managerial tool primarily used in the fields of sales and marketing, Incentive Travel is used to motivate employees or distributors, both as individuals or teams, to achieve an uncommon goal by promising rewards and trips that offer them an extraordinary, or "Trophy", experience (Severt & Breiter, 2010; Shinew & Backman, 1995).

Currently, Incentive Travel is used outside the scope of sales and marketing, located instead in other functional areas of big corporations, including finance and administration, with the primary objectives of not only motivating employees but also of seeding a desirable culture, and of stimulating profit growth through higher productivity and efficiency of resources utilized (Ricci & Holland, 1992). Practically, it can be said that Incentive Travel is meant to motivate the behavioral shift of key staff or distributors towards exceptional goal achievements.

The effectiveness of behavioral shifts influenced by Incentive Travel depends on a number of factors, including the appeal of the rewards and the trip, prestige associated with the “earners’s” status, good memories of the trip, recognition by top management, and camaraderie among top performers (Ricci & Holland, 1992; Severt & Breiter, 2010). However, the Incentive Travel programs that appeal to all targeted participants become harder and harder to design due to cultural and social diversity as well as to fast evolving tastes and preferences (Incentive Travel Council & SITE International, 2012).

The use of Incentive Travel as a managerial tool started in the 1960s, initially to stimulate sales forces and distributors to work extra miles to stimulate sales to the market followed by European. For Americans, the preferred destination is Europe while Asia was reported to be the preferred destinations for Europeans (Ricci & Holland, 1992). Unlike Europeans, Asian companies tend not really to understand the primary objective of Incentive Travel and do not use it as a reward for top-performing employees (Pizam, 2000; Ricci & Holland, 1992). Therefore, the European market should be a target market for Thailand and other Asian destinations as they are inherently attractive to Europeans. Given the global economic downturn, which affected Europe more severely than other continents, Incentive Travel business operators should even out the declined demand by focusing on Asian multinational corporations, but they might have to apply greater effort educating such firms about the full potential use of incentive travel as a managerial tool to create a fantasy and trophy experience in order not only to motivate employees but also to seed desirable corporate cultures and communities of best practice among top performers.

Players in the incentive travel markets fall into five categories, namely full incentive marketing companies, full incentive service houses, incentive travel fulfillment companies, destination selection companies and destination management companies, and, finally, travel agencies that sell certain travel components to the incentive travel programs (Ricci &

Holland, 1992). For most Thai incentive travel businesses, destination management companies (DMC) seem to be the most common. Seeing the lucrativeness of the market, many tour operators in Thailand established incentive travel departments within their leisure mainstream tour operating businesses, making them unable to fully capture the core essence of the incentive travel concept as a managerial tool. One of the points that should be noted, however, is the need and the willingness of most corporations to invest in incentive travel programs, especially during the economically challenging period, and the need and desire to stimulate the performance and productivity of the organizations and to seed constructive corporate cultures still seemed contradictory. The price-value dimension is, hence, usually one of the considerations of the host organizations (Severt & Breiter, 2010; Shinew & Backman, 1995). In this regard, Thailand should be in an advantageous position given that one of its most prominent images is the value for money given to travelers and tourists (Blanke & Chiesa, 2013; Future Brand Index, 2011). Thai destination management companies should, therefore, capitalize on this image despite the fact that such an image is not the most desirable one for the destination.

From the above paragraphs pertaining to incentive travel, critical success factors of incentive travel businesses can be listed as follows:

- Ability of incentive travel companies to thoroughly understand client organizations' needs and demands as well as the concerns and constraints about incentive travel programs
- Ability to translate such an understanding into activities and program components that can best satisfy the needs and meet the constraints of the host organizations
- Ability to create fantastic and memorable trip experiences for the participants yet constructive enough to induce behavioral changes
- Ability to appropriately integrate conference and team building activities that enhance the objectives of the host organizations
- Ability to perform the role of clients' consultants, not just service providers, so as to allow clients to achieve their objectives and maximally satisfy their constraints.

The success factors listed above should serve as the benchmark in talent or personnel management for the whole organization and its employees if they contribute to these factors.

In the modern business environment, where the job nature of each profession or business has changed at an unprecedented rate, competency which looked into inherent and developed characteristics that allow individual to perform certain tasks in adequate or superior manner.

The concept of competency and competency-based human resources management

The concept of competency has been approached at both individual and organizational levels. The former refers to individual characteristics that constitute his/her capabilities in performing certain tasks while the latter refers to the accumulated competencies of individual employees within an organization that contribute to its competitiveness vis-à-vis competitors (Jauhari, 2006). Using competency as the basis for human resources related issues allows an organization to be more efficient and productive as its competencies are aligned with its strategies and key industrial success factors (Chapman & Lovell, 2006). As a consequence, a sales executive in an incentive travel business should possess the competencies that allow the organization to possess such factors.

Competency can be defined as a set of standards in a workplace that specifies the adequacy and/or superiority of an individual to perform tasks under the scope of responsibilities of a position within a workplace setting, comprising inherent and developed knowledge, skills and personal attributes (Holton III, et al., 2008; Purdue, Ninemeier, & Woods, 2002; Rainsbury, Hodges, Burchell, & Lay, 2001; Soderquist, et al., 2010). Incentive travel business in Thailand, which is the context of this study, need to identify competencies that allow incumbents and applicants to perform their jobs in an adequate or superior way. Therefore, competencies to be identified for incentive travel sales executives should be identified against the job performance standards.

Like various other social science constructs, scholars define different dimensions and components of competency. Competencies of an individual comprise two broad categories, namely hard and soft skills, and hard skills competencies (Weber, Finley, Crawford, & Rivera Jr., 2009). The former refers to technical skills while the latter refers to human and managerial skills which are believed to enhance one's capability to perform the former. Besides, as one climbs up the organizational ladder, the more important the soft skill competencies become (Weber et al., 2009). However, for hospitality professions where uncertainties and ambiguities come with human factors and direct encounters with customers, soft skill competencies are required in the front-line positions as they greatly contribute to

higher service quality and smooth task coordination with colleagues and suppliers (Baum, 2008; Jauhari, 2006; Testa & Sipe, 2012). Despite the difficulties in observing soft-skill competencies, it is advisable for human resources managers to assess these skills in job incumbents and applicants in order to support recruitment, appraisal, promotion, and succession decisions by using aptitude tests that are commercially available in the market as they have been proved for accuracy in measuring these soft skills in employees (Bhatawdekar & Bhatawdekar, 2012).

Defillipi and Arthur (1994) contended that for individuals to successfully fulfill their duties as required in their job position, they need to be competent in performing the tasks associated with the position by possessing “know-how”, “know-why”, and “know-whom”. While “know-how” competencies refer to technical knowledge and skills required by the job, “know-why” and “know-whom” competencies refer to self-motivation, identification discipline, and personal network that contribute to the fulfillment of a job in a superior manner (Defillipi & Arthur, 1994). Of the three dimensions, “know-why”, which refers to self-identification with a profession, industry, and motivation and devotion to work, seems to be the predominant factor in success. A special characteristic of incentive travel and the nature of sales agent work that deals with uncertainties, variety, ambiguity, diversity, and high competitiveness, “know-whom” competencies or personal and professional network that contribute to sales pitching success (Defillipi & Arthur, 1994; Melaia, Abratt, & Bick, 2008). When making decisions regarding incentive travel sales agents, “know-why” and “know-whom” competencies seem to be the priority criteria in decision-making.

In order to pinpoint what the criteria should be to support human resources related decision-making, managers should be able to accurately identify the competencies that are requisite for the job and competencies that distinguish top performers from average ones (Testa & Sipe, 2012). Most competency models are in the form of matrixes and emphasize too much the hard skill competencies, which might be appropriate for short term decision-making but do not support the long-term plan of an employee (Langdon & Marrelli, 2002). Looking into soft-skill competencies offers benefits to the organization in ensuring that the applicants and incumbents do contribute to the organization’s competitiveness despite changes in work natures and managerial levels. Competency models usually help managers identify threshold or minimum required competencies for the job and differing competencies which distinguish top performers from the rest of the crowd (Duad, Ismail, & Omar, 2010; Soderquist et al.,

2010). These models usually require each organization to identify their respective competency models that align with their strategies by incorporating the marketing strategies, corporate cultures, organizational structures, and workflows within the organization in order to ensure that the developed competency models fit well with their organizations and contribute to the competitive advantage of the company (Chapman & Lovell, 2006; Langdon & Marrelli, 2002). Before identifying competencies for a job position, job performance standards must first be identified from as many groups of stakeholders in the job position as possible to make sure that the performance and competency identified would be realistic, comprehensive, and applicable to the position (Dua et al., 2010; Langdon & Marrelli, 2002). However, as this study has been developed for the whole industry, it does not touch on the organizational factors that vary from one organization to another. The findings of this study do, however, provide guidelines for general incentive travel businesses in Thailand in making their own decisions related to hiring, appraising, promoting, developing, and remunerating their respective sales executives. Further development by taking strategic and organizational issues into consideration needs to be done in a customized fashion suitable for specific firms.

03. METHODS

This study adopted a constructivism paradigm as the researchers wished to reach, from different angles, a thick and rich description of what is expected at different levels of job performance of sales executive in the Thai incentive travel business while being able to explain why things are as they are (Maholtra, 1999; Neuman, 2006). The study was designed to explore the expected performance of incentive travel sales executives in Thailand and the associated knowledge, skills, and attributes, and the validity of the findings was verified with an expert panel. It partially adopted the model proposed by Langdon and Marelli (2002) called Language of Work (LOW), which is a backward study from expected job performance, tracing back their enabling knowledge, skills and attributes. However, half of that model, which investigates organizational factors, has been excluded due to the scope of this study, which aimed to identify competencies for the whole industry to serve as guideline for all businesses in this sector. To distinguish top from average performers as well as to pinpoint the training needs of job incumbents, this study has also adopted the design of Dua, Ismail and Omar (2010) by asking what competencies (skills, knowledge, and attributes) are needed in an individual to perform certain tasks at threshold, differing, and ideal levels. The designs

of these two studies have been combined to serve as the data collection structure of this study.

The first part of the data collection is an in-depth interview on a semi-structure basis conducted on a face-to-face basis with five different groups of stakeholders, namely the job incumbents, job supervisors, inter-departmental colleagues, suppliers and clients. Interview questions were constructed from job descriptions of incentive travel sales executives from four companies selected by the Thailand Incentive and Convention Organization (TICA), combined, collapsed and reorganized into areas of responsibilities. The typical duties of incentive travel sales executive are listed in Table 2.

Table 2: Typical Job Description of Incentive Travel Sales Executive in Thai Destination Management Companies (Incentive Travel)

Areas of Responsibilities	Task
Sales and Marketing	Making sales calls for business development
	Receive brief
	Co-design projects for bidding proposal development
	Coordinate prices and service conditions of potential suppliers
	Follow up on unclosed sales
	Facilitate clients' site inspection
	Summarize quotations
Operation	Co-plan operational plans with colleagues from other departments
	Perform the role of center of coordination between colleagues, clients and suppliers
	Verify suppliers' services and products to approve payment
Administration	Coordinate with internal and external colleagues, clients and

suppliers, and prepare necessary documents

Maintain and file documents and information

From the job descriptions of the four companies as given by TICA, the task can be grouped into three areas of responsibility, namely sales and marketing, operation, and administration. Informants were nominated by TICA to ensure the parameter and appropriateness of informants in providing detailed and extensive information about both performance and its associated competencies of sales executives for incentive travel businesses (Hennink, Hutter & Bailey, 2011). Informants were asked how they think a sales executive in an incentive travel business, at the threshold level, should perform the job and what knowledge, skills and competencies they considered necessary for such a performance. Next, they were asked how a high-performing sales executive in an incentive travel business performed such a job differently from an average executive and what knowledge, skills, and attributes constituted the difference. Finally, informants were asked how an ideal sales executive in an incentive travel business would perform certain tasks differently from a top performer and what competencies they required. Then the next task was asked to informants until the last job specification.

To reach a rich and thick description of competencies of different levels demanded of a sales executive in an incentive travel business, knowledgeable participants were selected by the incentive travel professional association (TICA), who served as gatekeeper to the informants (Hennink et al., 2011; Neuman, 2006). Snowball recruitment, with approval from TICA, was also used to add to the number of informants. The interview findings were transcribed, compared, combined and condensed. To ensure the reliability of the findings, the interview guide of Patton (2002) was used, including open-ended questions, neutral, clear and singular. In cases where the interviewers felt that the answers given by informants were still unclear or needed further clarification, they were probed with further questions to provide more information (Patton, 2002). Each session lasts between 150 minutes and 210 minutes, depending on the information provided by the informants. The next level of data collection aimed to ensure the validity of the findings by using a focus-group interview with an expert panel selected by TICA. Performance and competencies were discussed if such items belong to the task, level of performance. Panel members were also asked to add and delete items in both performances and competencies reported in the initial in-depth interviews with targeted participants.

04. FINDINGS AND DISCUSSION

In-depth Interviews

Sixteen participants were recruited after nomination by the Thailand Incentive and Convention Association. They can be grouped as follows; 3 job incumbents, 6 job supervisors, 2 suppliers, 3 colleagues and 2 clients. The interview findings show that an average sales executive of a Thai incentive travel business should acquire information about each potential client before communicating with them through various channels, using social skills in order to create and retain a constructive relationship. In a sales call after receipt of the Request for Proposal (RFP), the communication should be analogous, allowing two-way communication and introducing an initial brief of the project design to arouse the client's interest while mentioning project components that suit the needs and conditions of the prospective client.

A high-performing incentive travel sales executive is expected to make a sales call by pinpointing clients' subconscious needs by analyzing both clients' information and market intelligence and referring to past successful projects (in the case of repeat clients) and responding to them promptly by referring to what had been discussed on previous occasions. The initial project design proposed or discussed with clients should include project components (for example accommodation, team-building activities and special events) that are unconventional yet accessible. Executives should show how creative they are in designing the program and be adaptive to clients' needs and constraints.

An ideal sales executive for incentive travel should make a sales call by referring to their knowledge of other types of MICE activities that are relevant to the incentive travel project as well as to the operation process. As a consequence, they should be able to close a sale during the first contact without any need for further discussion.

Usually, sales executives for the incentive travel business need further discussion to develop a quotation through various means of communication. At a minimally acceptable level, a sales executive should carefully read and analyze the initial Request for Proposal (RFP) and request additional information from the appropriate person in the client's organization if the given information is insufficient to design the whole project. After obtaining adequate information, the sales executive should share such information with colleagues and brainstorm the design of the project with all others concerned by considering logistical and

operational issues. The designed proposal must be submitted within the timeframe determined by the clients.

A high-performing sales executive handles a brief from a client differently, by analyzing non-verbalized needs of clients through a close analysis of the RFP and the conversation. The brainstormed project should be something new, including project components that exceed the expectations of the client. The client should also be informed of the conditions and limitations of the venues proposed or specified by the clients to prevent unrealistic expectations.

Ideally, a sales executive in an incentive travel business receives the brief for a project design by accurately inferring the actual needs and objectives of the clients without having to request additional information. A high level of creativity should be used in designing the project and overcoming obstacles and limitations of venues and other project components. Executives should utilize their personal and professional networks in designing a breakthrough project that creates excitement in the clients and participants.

After receiving a brief, incentive travel sales executives co-design the project with colleagues from within and other departments as well as potential suppliers. At the threshold level, executives brainstorm with colleagues both within and from other departments the design of a project that can make the proposal impressive for clients by following the strategic directions determined by job supervisors or management. They also need to select appropriate project components that are within the clients' budget range yet suit well their objectives and needs before starting negotiations with them based on the market price of such components. They should also accurately estimate the hidden costs before strategically pricing the project.

High-performing sales executives would design the project with their colleagues by proposing something new and creative through the inclusion of components that are completely new to clients. They add value to the project by incorporating some supplementary project features that would make the project better satisfy clients' needs and they provide a sound justification for their additions. This part is of value to both clients and companies as it serves as up-sell opportunities. Their proposals are prepared neatly and according to the company's format, and are electronically and physically submitted to clients within the timeframe specified by clients.

None of the interviewees could report on their expectations of the ideal performance of a sales executive for the incentive travel business with regard to the co-planning of and quotations for projects.

After the design process, average-performing sales coordinators start coordinating with suppliers. They negotiate with potential suppliers on a case-by-case basis in order to ensure that the company obtains the best deal with the highest margin for the company. During the negotiation process, they also communicate clients' detailed needs and conditions in the clearest and most complete fashion while convincing potential suppliers to adapt products or services to such needs and constraints. If the initially proposed suppliers do not agree with the deal and adaptation, sale executives normally propose alternative suppliers that are of equal value to clients. After choosing the best suppliers, executives also consistently monitor the quality and progress of suppliers' work.

High-performing sales executives coordinate differently with various potential suppliers as this tends to result in the best deal for the project in terms of price and conditions. They always seek to negotiate complementary products or services from each supplier for the use of current or future projects.

After submitting the proposal finalized by the team, an average-performing sale executive follows up the unclosed sales with the client's key contact person via non-personal modes of communication (e-mail or telephone) to check if the proposal has been well received and if all points pertaining to the proposal are clear. Clarification should be provided if there are unclear points or concerns. If clients contact them to ask for clarification of unclear issues or to voice concerns, executives should respond promptly to such issues. They should also remind potential clients of the option date (the day until which the proposal and its conditions would still be valid). It can be seen that each client's insights regarding their decision-making process are important; therefore, executives should source and acquire such insights in advance.

High-performing sales executives follow up unclosed sales differently by probing strategic questions in order to induce up-sell and cross-sell opportunities. They also source well information about clients' organizations and key decision makers before following up. None of the ideal performance was reported.

After closing the deal, sales executives participate in formulating an operational plan with colleagues and suppliers. At the threshold level, they normally call for meeting with all parties concerned with the project, including suppliers. In such a meeting, they summarize and list information about the project and deals made with suppliers as well as the clients' information. They should be receptive to and welcome others' opinions to ensure that the ideas are crystalized among team members. All initiatives and opinions voiced by team members should be considered and discussed to ensure that the operation part of the project is practicable. Apart from anticipating operational problems, they also need to facilitate solutions to potential problems for team members and suppliers.

High-performing sales executives help formulate the operation plan by providing competitive intelligence about competitors and clients to the meeting. In the meeting with the full team, they should be assertive in voicing their opinions and should provide suggestions when seeing the necessity for doing so, and should be able to persuade the team to comply with the direction they propose. Among team members of different backgrounds and profiles, they should create a working atmosphere that welcomes differences and diversity.

Ideally, sales executive for the incentive travel business should assist with the formulation of operational plans by ensuring that all parties concerned, including suppliers, have a mutual understanding and obtain the information pertaining to the project. When persuading the team members to comply with their suggestions, ideal sales executives mediate conflicts among team members with different points of interest to achieve coherent work by seeing the project success as a mutually desirable goal.

One of the final steps that make or break the deal with clients is summarizing the quotation. Average sales executive of incentive travel businesses summarize the quotation by proposing a price appropriate to the project objectives and clients' constraints. To back up the proposal, pictures or solid evidence that support and justify the price quoted should also be attached. Special attention should be paid to the detail and correctness of the quotation, especially in regard to figures. As most clients of incentive travel are international firms, sales executives should possess knowledge about the best methods for international financial transactions. Conditions and terms should inform accounting department accordingly.

High-performing sales executives summarize quotations differently by allocating responsibilities to team members to source information and verify the correctness thereof

before submitting. Ideally, they adjust the figures to evaluate the attractiveness of the proposal/ quotation and adjust the figures to make it more competitive.

Once the deal is made with the clients, the clients' representatives normally need to inspect sites to be used as venues and other activities for the project. At the threshold level, a sales executive should prepare relevant information about all venues to be inspected and coordinate well with the venue's management or representatives. They should prepare alternative venues that are equally attractive in case the venues do not meet with the clients' approval. During inspection visits to venues, the sales executive should present the aspects that help satisfy the clients' needs and objectives while assuring them that the right choice has been made.

High-performing sales executives conduct site inspection visit differently by using their networks to source alternative venues in case of problems. During the inspection visit, they should assure clients by showing that they are well acquainted with the venue's management and can solve problems that might arise during the operation phase. They should also turn problematic situations into up-selling opportunities. None of the informants reported on the ideal performance of sales executives in assisting clients during site inspections.

Being the first point of contact with clients and the ones who make promises to them, sales executives are expected to be the center of coordination between clients, operation and suppliers throughout the project. At the base level, a sales executive should study the information well so that all issues pertaining to the project become clear and crystalized. They should call for a meeting of the whole team, including clients and suppliers' representatives, to verify mutual understanding about the projects and activities as well as other potential problems and other issues that still need clarification. They should stay focused on the core issues of the project and avoid becoming embroiled in details of trivial issues. As they have to help colleagues, customers and suppliers to solve problems and mediate conflicts, they should have all information needed at hand and easy to retrieve or refer to.

High-performing sales executives perform the coordination task differently by convincing clients that the changes or modifications to the program operation would be the best solution for the situation. At the same time, they should convince and motivate the team to comply with the timeframes and quality of work as specified in the agreement or as requested by

clients. They should also plan the operation one step ahead and ensure that everything goes according to the agreement with clients, especially when problems arise.

Ideally, sales executives for incentive travel businesses should be able to explain and present things and ideas in such a way that allows information recipients to visualize the picture in a logical sequence. As coordination concerns solving problems for clients and colleagues, sales executives should be able to respond immediately to concerns and instantaneously retrieve information to support decisions. As regards personality, they need to be liked by all parties concerned.

In some incentive travel businesses, sales executives are required to perform the process of suppliers' services and products before approving the payment. Average sales executives check and verify both the suppliers fulfillment of the agreement as well as logistical and safety requirements of the venues. They also check if the services and products are according to the agreement and worth the money to be paid. In the case of complicated items, they bring in certified experts to perform these tasks.

A high performing sales executive performs such a task differently by being friendly and facilitating the work and checking the services and products provided by suppliers. If some money is to be deducted from the total sum, the reason needs to be clearly and fairly communicated so that suppliers do not feel they are being taken advantage of.

Some companies require sales executives to follow up on the late payments as well. Average sales executives for incentive travel businesses usually submit invoices to customers according to the conditions specified in the contract. They remind clients in an appropriate way when the due date is near. If the payment is settled late, they should follow up on the payment tactfully in order to maintain a long-term constructive relationship.

High-performing sales executives usually follow up on payment by justifying all items that appear on the invoice while, ideally, they pressure clients psychologically so as not to make them feel that they are being forced to pay.

One of the functions that is required in all job positions is document communication and rank and files. Generally, a sales executive should prepare documents that organize ideas and information into topics and arrange them in a format that is easy to understand. The dispatch of or response to documents should be on a timely basis and involve social skills to induce a

positive relationship with colleagues, clients and suppliers. When filing the documents, they should sort the documents according to topics and dates of receipt.

High-performing sales executives usually add additional details to documents to make the document insightful in a time-efficient manner. They also continue updating their document files as the project progress and sort documents into sub-categories and insert opinion notes so that the future planning can be done effectively.

Table 3: Threshold, differing, and ideal competencies required in Incentive Travel Sale Executives

Competency Components	Threshold	Differing	Ideal
Knowledge	Product knowledge: in the contract list/ other potential project components/ safety measures/ logistic requirement/ cost	How to adapt/ use/ mix/ and match to create phenomenal experience	
	Market intelligence: Consumer trends/ Competitors' moves	Market intelligence of other MICE businesses	
	Customer knowledge: needs/ objectives/ business goals/ key success factors/ industry trends/ mission/ value/ key decision makers	Good memory about customer records and what has been preferred and problems about customers' past events	
	Knowledge about socio-economic affairs	Most updated international affairs	
	Knowledge about program organizing and operation: Logistics/ time/ safety requirement/ crowd management	Adaptive to conditions and constraints	Knowledge about natures and key success factors of other MICE events
Skills	Market intelligence: Consumer trends/ Competitors' moves Communication: concise/ precise/	Imagery	Charismatics

	accurate/ persuasive/ audience appropriate		
	Social skills: appropriate for people from broad range of backgrounds/ well mannered/friendly dialogue Critical listening	Social acumen: High level of interpersonal skills	
	Negotiation skills: Fair and systematic	Comprehensive/ Consider long-term relationship	Integrative
	Teamwork skills: Task coordination/ collaborative/ decision making/ collaborative problem solving	Openness to opinions and criticism/ conflict management	Integrative conflict management
Skills	Problem solving skills: systematic/ responsive	Comprehensive: unplanned/ anticipative	Contingency/ complex situations/ integrative
	Basic financial skills/ Mathematic skills	Comprehensive estimation of hidden cost/ profit-loss instincts	Strategic pricing/ psychological pricing
	English proficiency	Third language mastery	Integrative contingency
	presentation skills: vivid and logical	Imagery	
	Document preparation: logical sequence/ easy to understand format and language appropriate to audience/ appropriate insertion of social skills Planning skills: systematic	Appropriate for recipients and objectives Anticipative of scenarios Anticipative of problems/ accurate calculation of figures/ Positive attitudes on team members	
	Relationship management	Strategic questioning	
	Project management Skills: project knowledge/ contract timeline/manpower planning/ profit and loss	Time management skills	
	Tactful questioning	Virtual reality presentation	

Attributes

Computer Literacy	Having the world-as-market perspective	
Cross-cultural consciousness		
observant/ detail oriented	Meticulous	Scrutinizing
Personality: agreeable/ friendly	Compromising/ sense of humor/ open to new experience	Calm/ prudent
Attitude: optimistic/ goal oriented	Persistence on goal achievement/ Excellence oriented attitude/ Customer oriented attitude	Optimism about obstacles and limitations
Look and manner that command respect and trust		
Politely assertive	Self-confidence and esteem	Charisma and prudent Look
Well-organized	Organizational loyalty	
Well-prepared	Service mind	Service psychology skills
Work attitude: enthusiasm/ patience/ devotion to work	Wide and quality professional and personal network	Personal network with high-ranking governmental authorities
Adaptive to change and uncertainties/ Flexible on process but firm on quality	Open to opinions of others	Constructive conflicts
Change welcoming/ active learner	Work discipline	Experience from several organizations
emotional control	Optimism and obstacles/ Result oriented attitude	
Ethics	Many service years in Incentive Travel Business	
Be fair	Acumen	
Pride in one's organization	Professionalism	
Honesty	Entrepreneurial instincts	

Attributes

	Courage to accept mistakes	Leadership
	Dependability	
	Avoid negative opinion voicing	
	Refrain from price cutting	

Focus Group Interview

To validate the job performances collected from the in-depth interview sessions as the competencies defined here are supposed to be the starting point for incentive travel business operators to apply to their respective organization in regard to human resource issues concerning sales executives, a group interview, otherwise known as a focus-group interview, was conducted with informants who were regarded as experts as they are professionals and entrepreneurs who have served in the incentive travel sub-industry for a long period with highly recognized professional success. The panel comprised seven members, of whom three were company owners and four were high-ranking management in the field of marketing for the incentive travel business in Thailand. They were briefed on the details of job performance and associated competencies. The focus-group moderator, the second author of this paper, read the task and threshold job performance and associated competencies. Panelists were asked to voice their concerns if the performance and competencies reported from the in-depth interview sessions were appropriate and if they wished to add something, cut some items, words or clauses, or make other modifications. Group flow from the discussion of the panelists was moderated by the researchers, resulting in changes, cuts, additions, and modifications of both performance and competencies.

The focus group interview findings show the differences performance from in-dept interview as detail following. An average sales executive of a Thai incentive travel business should know potential project components and consider in logistics side of the project, “venue” rules and regulation. They should consistently do customer relationship management and understand cultural differences. A high-performing incentive travel executive should be balance benefits of firms and customer satisfaction with internalize knowledge and skill into their natural working styles and thinking process.

After receiving brief, a high-performing incentive travel sales executive co-design the project by propose something new (project components) with higher value and justify the recommendation from client’s point of view. Moreover, they should be able to offer components of different product selection with the price ranges for client to choose. The experts say an ideal sale executive incentive travel should develop proposal that is distinctively differentiate with assistance from personal and professional networks in regards to co-planning and quotations for the project.

After submitting the proposal, a high-performing sales executive incentive travel follow up unclosed sales by act as client’s consultant by asking probing strategic questions to client’s project success and recommend additional services before the deal is closed. In addition, they should concern to ask the questions about the reason why the clients not choose the company for further improvement.

After closing the deal, an average sales executive incentive travel participate in an operational plan by receptive other’s opinions and co-analyze the idea, then search for the best practice of the program operation and implementation. In addition, they should do priority setting in terms of what is to be completed first according to the operation plan and internally communicate with team members about the objectives, components, and venues. High-performing sales executive incentive travel help operate the operation plan by be neutral in conflict situation and create welcoming working atmosphere from the diversity and difference of backgrounds and profiles. They should follow up with the information recipients to ensure mutual understanding of the project. Ideally, sales executive for the incentive travel business should be ensure that the whole team receives the information completely and correctly in order to avoid potential mistakes during the operational phrase.

The next step is being a center of coordination. At the threshold level, sales executive incentive travel should study the project information profoundly therefore, all issues and concerns are crystalized. She/he should call for meeting with all parties concern with the project including suppliers in order to verify the mutual understanding about the project objectives. She/he should clarify more on issue that are potential problems. A high-performing sales executive incentive travel should be able to convince clients to comply or modify their work process according to advices or suggestions as well as convince the team member to progress and perform operation plan according to Request For Proposal (RFP). They should balance the company's benefit and customer's satisfaction. Ideally, sales executive incentive travel should propose the visualized presentation of information in a logical sequence while gain trust and respect from the clients and colleagues.

In some incentive travel company, sales executives are required to follow up on the late payment as well. An ideal sales executive is required to possess the tactfully put psychological pressure on customers, yet being able to maintain long-term relationship with clients.

From the focus group interview, the expert panelists did not change the competencies required in a sales executive despite the change of performance standard. In order to address the research objectives, the competencies and performance standards identified by informants and adjusted by the expert panel with the critical success factor of the incentive travel business to see if the expectations of employers and job incumbents really contribute to the competitiveness of the company. The findings show that the threshold competencies identified are not fully consistent with the key success factors, especially in regard to analytical parts of clients, needs, creativity, the knowledge of operation parts, and social skills and acumen that allow them to assume the role of client consultant rather than service provider. Considering that these factors usually pertain to the attribute dimension of competency which are normally inherent in individuals, human resource managers should measure inherent qualities through the use of commercially available aptitude tests that allow the measurement of qualities that are hard to observe and measure (Dua et al., 2010). The knowledge component of the competency can be developed both an on and off the job basis but without these inherent qualities, sales executives can hardly contribute to the competitiveness of the company.

During the in-depth interviews, from the number of performance standards reported by different groups of stakeholders researchers found that job supervisors and customers tend to have higher expectations of sales executives than the job incumbents and colleagues do. The group interview also support this proposition as seen by the movement of performance standards from differing to threshold level. This proposition can, probably, explain why the productivity of Thai MICE employees is lower than that of employees in Singapore, Japan, Australia, New Zealand, South Korea and Malaysia. Job incumbents might not be aware of what is expected of them as the job descriptions given by TICA were written so broadly that no specific standards of performance were mentioned. Job descriptions should be clearer and more detailed and should specify the task standard to ensure a common ground of understanding of what is expected of employees.

Despite the fact that incentive travel requires sales executives who are highly creative, adaptive and versatile, leadership style and corporate culture tend to play a role in regard to the capitalization of incumbents' competencies in contributing to the organization's competitiveness. One of the job supervisors with an authoritative leadership style working in a very structured, multi-layered organization asserted that he did not expect his sales executive to be creative or recommend any project components that were not included in the contract as he, as job supervisor, knew better how to make things happen. In contrast, a job supervisor with a participative style working in a cooperative culture organization asserted that creativity was everything and he welcomed all initiatives from employees as there might be some hidden great idea under his nose. This proposition contended that a competitive incentive travel business should have a less structured style of management with cooperative and participative cultures.

A competency-based approach to human resources decisions is recommended for incentive travel businesses as the critical success factors require performances that are enabled by mostly inherent qualities of individuals, which are harder to observe, develop, and measure. Hiring new employees with the required attributes usually allows firms to develop skills and knowledge required to perform the tasks up to differing level through human resources development schemes.

Despite the above-mentioned propositions found in this study, organizational factors should also be considered when performing decision tasks regarding human resources. Further development of an organization-specific competency model is suggested and further

quantitative study to explore the relative importance of competencies is recommended for scholars and practitioners who are interested in the areas of competency-based human resources management.

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ENVIRONMENTAL MANAGEMENT PRACTICES IN THE HOTEL SECTOR IN SRI LANKA

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Abstract

The tourism industry in Sri Lanka has been witnessing a significant revival following the end of the civil war. In order to cater to the increasing demand, significant investments are taking place in the hotel sector. Tourism is an industry which consumes significant quantities of water and energy resources and generates waste. With the increasing number of tourist arrivals, there is a tendency to use enormous amounts of energy and water and generate high amounts of waste. However, there has been no comprehensive assessment on these aspects in Sri Lanka. In this backdrop, the paper aims to assess the degree of environmental orientation of the hotels, and to assess the factors affecting such environmental orientation. Accordingly, the study covers the aspects related to energy, water and waste management. The study makes use of a hotel survey, key informant interviews and secondary information sources. A major part of the study is based on the primary data collected through the survey of the registered hotels in the Western Province of Sri Lanka, using a pre-tested structured questionnaire. The paper presents novel research findings in regard to the environmental management in the hotel sector, their relevant determinants and key policy implications, based on the Sri Lankan context which may be applicable to similar contexts in the world.

Keywords: *Hotels, Environmental Management, Practices, Sri Lanka*

01. INTRODUCTION

The tourism industry in Sri Lanka has begun to witness a significant revival following the end of the conflict in May 2009. While the South Asian region shows a 11 per cent increase in the tourist arrivals in 2011, Sri Lanka records a remarkable growth of 48 per cent^[14]. Tourist arrivals have increased by 31 per cent 2011 when compared to 2010. The arrivals have increased by 98 per cent in 2011, when compared with the before-the-end-of-war situation in 2008. The World Travel Market 2011 Industry Report identifies Sri Lanka as one of the five emerging countries after Brazil, Russia, India, China and South Africa, due to its revival after the civil war, high investments in infrastructural development and the beauty of the destination.

In order to reap the benefits of the tourism industry boom, the government has set targets to attract 2.5 million tourists by 2016. Several initiatives are in place to cater to the increasing demand for hotel accommodation to the targeted number of tourist arrivals by means of new investments and expansions of existing accommodation facilities. Accordingly, the number of hotels rooms is expected to increase to 50, 000 by 2016, as opposed to the present number of rooms of 14,653. However, beyond the numerical targets for the tourism industry, it is not clear whether enough emphasis has been paid to ensure the sustainability of the industry.

Tourism is an industry which consumes significant quantities of water and energy resources and generates waste. In the case of Sri Lanka, the hospitality sector ranks as the most energy intensive and therefore incurs high energy costs. Also, the electricity demand of the hotel sector constitutes 4-5 per cent of the national electricity demand. The energy costs constitute 18 per cent of the total operational costs of the hotels^[12]. Research has found that water consumption, per guest, in a hotel can be around three times that of the average consumption of a person staying at home^[2]. With the increasing number of tourist arrivals, there is a tendency to use enormous amounts of energy and water and generate high amounts of waste. Considering both economic and environmental factors, it is important that the hotel sector undertakes investments on energy and water efficient management practices and effective waste management approaches.

Adoption of environmental management practices promotes sustainable utilization of water and energy resources and minimizes the probable negative impacts on the environment through waste management. Miththapala (2011) finds that there is a possibility of saving 20 per cent of energy and water consumption and reducing waste generation by 20 per cent in

the hotels^[12]. Also, better environmental management practices result in reduced cost of operation. Further, it can also lead to increase the reputation of the hotels and thereby increase the consumer demand.

However, there has not been any comprehensive study conducted in this regard to assess the adoption of better environmental management strategies of the hotels sector in Sri Lanka. Furthermore, there has been no research conducted on factors affecting the adoption of environmental management practices at hotel level. Given the fact that the Sri Lankan tourism industry is showing significant revival following the end of the war, this becomes a prioritized policy research need. The paper aims to shed light on the said research gap.

In this backdrop, the objectives of the paper are to assess the degree of environmental orientation of the hotels in the Western Province of Sri Lanka, to assess the factors affecting such environmental orientation and to suggest suitable policy implications for making the hotel sector sustainable in Sri Lanka.

02. ENVIRONMENTAL MANAGEMENT IN THE HOTEL SECTOR

Sustainable environmental management in the accommodation sector has been receiving growing attention in the literature. Demand for sustainable tourism products and increased emphasis on resource conservation have mainly been the motives for hotels to adopt better environmental management practices. However, the literature shows that the adoption of environmental management practices are governed by an array of factors in various contexts.

The relationship between environmental orientation and financial performance is considered to be rather an order qualifier than an order winner criterion^[4]. Delmas and Toffel (2003)^[5] find that adoption of environmental management practices by a firm can be explained by economic approach and institutional sociology. Institutional factors affecting the adoption of environmental management practices include political and regulatory pressure, customer and competitive pressure, community and environmental interest group pressure, industry pressure, and the moderating effects of firm characteristics^[6].

Impact of government regulations and incentives has been the focus of some of the existing studies. Lawrence & Morell (1995) found that environmentally proactive firms were motivated by regulations, reducing costs, avoiding being targeted by environmental non-

governmental organizations, and critical events^[10]. A survey of tourist hotels conducted in Malaysia shows that implementation of environmental initiatives were minimal due to the fact that the benefits are not higher than the costs and that the government has not provided any incentives to encourage environmentally sustainable practices^[13]. Accordingly, government support also seems to play a key role in encouraging the tourist hotels to adopt environmental management practices.

Existing studies also have shed light on the relationship between the characteristics of the human resources and the adoption of environmental management practices. Jabbour et al. (2012) evaluates the link between human resources and environmental management using data collected from 75 Brazilian companies^[9]. Dief and Font (2010)^[7] reveals that the manager's personal values and organizational competitiveness explain the environmental management practices, which ultimately have led to more visible financial returns.

A number of studies have attempted to come up with indicators or proxy variables to measure the environmental performance of the hotels. Mamingi et al. (2008) takes into consideration the environmental news in print media of firms as a factor changing the environmental performance of the firms^[11]. Klassen and McLaughlin (1996) derive different indicators to find out the impact of environmental management on firm performance. The indicators include receipts of environmental awards, emission ratio, compliance ratio, overall environmental rating ratio, environmental crisis sample, emission ratio and overall environmental rating ratio. In contrast, Alberto and Correa (1998) use indicators such as sponsorship of natural environmental events, use of natural environmental arguments in marketing, natural environmental aspects in administrative work, periodic natural environmental audits, residue recycling, purchasing manuals with ecological guidelines, natural environmental seminars for executives, natural environmental training for firm's employees, total quality program with natural environmental aspects, pollution damage insurance, natural environmental management manual for internal use, etc.

The present study is constrained due to the fact that most of the hotels do not maintain proper data on energy, waste and water management. Therefore, following the above studies, the present study will also makes use of proxy variables to measure the environmental management of the hotels. As per the data availability some of the possible variables include maintenance of monthly records on energy, water and waste management, involvement with

the sustainable environmental management projects, green awards/labels/certifications and presence of Environmental Management Systems (EMS).

03. METHODOLOGY

Study Area

The study is based on the hotels registered with the Sri Lanka Tourism Development Authority (SLTDA) in the Western Province of Sri Lanka. The categorization of tourism accommodation units of the SLTDA includes tourist hotels, guest houses, bed & breakfast units, restaurants, boutique villas, and establishments that offer water sports. Among them tourist hotels were selected for the present study, as they are operated in larger scale compared to other categories. Accordingly the energy, water consumption and waste generation can be of significant importance in the tourist hotels compared to other categories.

Western Province is selected as the study area, as it shows the highest number of tourist hotels at provincial level. Accordingly, a profile of the sample is presented below. The districts in the Western Province, namely Colombo, Gampaha and Kalutara have 36, 33 and 30 tourist hotels respectively. The primary survey of the hotel is on-going and the assessment which follows is based on 56 hotels in the Western Province, which can be taken as a random sample of the registered hotels in the Western Province of Sri Lanka.

Data

Primary data for the study were collected through a survey, using a pre-tested structured questionnaire. The questionnaire was pre-tested and fine-tuned based on the interviews with the key experts in the tourism, energy, waste and water sectors of Sri Lanka.

The past relevant studies show that the rate of response to an e-mail survey is a critical factor that needs to be considered. The tourist hotel survey undertaken by Carmona-moreno et al. (2004)^[4] in Spain finds that the response rate was only 12 per cent and the response rate is independent of the size of the hotel. Dief and Font (2010)^[7] target the entire population of the hotels in the Egyptian Hotel Guide and the response rate was reported as 18 per cent. Telephone follow-ups have increased the rate to 33 per cent and doorstep follow ups has increased the response rate to 60 per cent. Garay and Font (2011)^[8] find a response rate of 12 per cent out of the total population of hotels in Cantalonia of around 5900. However, the responses of the hotels to the e-mail survey might depend on the environmental consciousness of the hotels, therefore, the sample can be biased. Accordingly, the present

study did not intend adopt an e-mail survey to collect data. Instead in-person interviews were conducted to collect information, based on the structured questionnaire.

The respondents to the questionnaires were the officers in charge of the environmental management (energy, water and waste) of the hotels. The questionnaire includes the basic hotel information, details of the officer responsible for environmental management, environmental management of the hotel in general, details on energy, water and waste management, involvement in relevant/projects, programmes, environmental certifications/awards, impacts of adopting environmental management practices, constraints of adopting environmental management practices and motives for adoption.

Model

Most of the available studies in the literature measures the environmental orientation of the hotels using binary variables. Accordingly, the most common econometric model used for the assessments are either probit or logit models. Probit and logit model allows to have a binary outcome variable and to assess the relationship of the outcome variables to a set of independent variables.

Selection of suitable outcome variables that better explain the environmental orientation of the hotels is a crucial factor. Due to absence of proper information on the environmental management practices of the hotels, studies have attempted to use proxy variables in the analysis. Present paper also makes use of four proxy variables as outcome variables to explain the level of environmental orientation of the hotels. The first indicator of the environmental performance is the maintenance of monthly records in relation to environmental management. Maintenance of proper records on a regular basis provides the opportunity to assess the degree of consumption of energy and water resources and generation of waste. Proper records also allow the monitoring process. Therefore, this provides an idea of the hotel's concerns in relation to their energy and water consumption and waste generation. Secondly, the study makes use of receipt of relevant environmental awards/certifications and other forms of recognition in relation to water, energy and waste management. The third proxy variable considered by the study is the presence of an Environmental Management System (EMS) at the hotel, which can be considered as an indicator, although it does not provide a comprehensive picture of the environmental orientation of the hotels. Finally, involvement of the hotels with the sustainable

environmental management programmes/projects is considered as a variable that explains the environmental orientation of the hotels.

Drawing from the literature, the independent variables considered by this study will be the chain affiliation of the hotels, size of the hotel in terms of number of rooms, age of the hotel, location-based classification (city hotel/beach hotel etc.), number of years of experience of the officer who is responsible for environmental management in the hotel, and the number of employees. In addition, the involvement in environmental related projects can be a factor affecting environmental orientation of the hotel. Therefore, involvement in the environment related projects was considered as an independent variable when assessing the factors influencing the above proxy variables namely, presence of an environmental policy, presence of EMS and environmental awards/certificates.

Chain affiliation and location-based classification are considered as dummy variables in the model. Other independent variables are continuous in nature.

Four separate probit models were run for each outcome variable namely, maintenance of monthly environmental records, receipts of environmental awards, presence of an environment EMS and involvement in projects/programmes relevant to sustainable environmental management. The variables are binary in nature.

04. EMPIRICAL RESULTS

Level of Environmental Orientation

The results are based on the data collected from 56 hotels in the Western Province of Sri Lanka.

Accordingly, the percentage of hotels who maintain monthly records on energy, water and waste is 37 per cent out of the total number of hotels in the sample (Table 1). Around 31 per cent of the hotels are involved in projects/programmes related to sustainable environmental management. The percentage of hotels which have received awards related to environmental management is 29 per cent. Around 27 per cent of the hotels have EMS.

Table 1

Level of Environmental Orientation as Measured by Proxy Variables

Proxy Variable	Yes (%)	No(%)
Maintenance of Environmental records	37	63
Involvement in relevant projects/programmes	31	69
Receipt of environmental awards	29	71
Presence of EMS	27	73

Factors Affecting Environmental Orientation of the Hotels

Maintenance of Environmental Records: The results of probit regression analysis show that the size of the hotel, and chain affiliation are having statistically significant impacts on the maintenance of environmental records. Therefore, it seems that higher the number of rooms in the hotels, it is more likely that hotels maintain monthly records on environmental management, which include energy, water and waste. Also, the hotels which are affiliated to either local or international hotel chains are more likely to maintain monthly environmental records.

Involvement in Relevant Projects/Programmes: The size of the hotel and the chain affiliation again shows a statistically significant relationship to the involvement of the hotel in sustainable environmental management projects/programmes. In addition, the location of the hotel also has a notable impact. Accordingly, the city hotels have a less likelihood of being involved in such projects/programmes.

Receipt of Environmental Awards: The regression analysis shows that chain affiliation, size, location and the age of the hotel has a statistically significant impact on receipt of the awards related to environmental management. Accordingly, the hotels which are affiliated to hotel chains show a high likelihood of getting the awards. Also, the likelihood of getting awards is high for larger and older hotels. Similar to the previous case, the location-based assessment shows that the city hotels are less likely to receive environmental awards.

Presence of EMS: Similar to the previous models, the probit regression in relation to EMS also shows that the size of the hotel, chain affiliation is having positive impacts on having an EMS in place. Contrary to the above three probit models, the likelihood of presence of EMS is high among the city hotels.

05. CONCLUSION

There has been little or no research-based evidence to show the level of environmental orientation in the hotel sector in Sri Lanka. Accordingly, based on the assessment using proxy variables, the study reveals the level of environmental orientation in the registered hotels in the Western Province of Sri Lanka. Accordingly, only 37 per cent of the hotels are maintaining proper monthly records on energy, water and waste management activities. A significant share of the hotels in the Western Province do not maintain environmental records, which may be an obstacle for them to go for proper environmental management decisions. This needs to be an important element which needs attention. Also, the fact that less than one third of the hotels in the sample are having EMS, awards and are involved in relevant projects separately is another factor.

The assessment of factors affecting environmental orientation shows that the larger hotels are more likely to be environmentally oriented. The size of the hotel, in terms of the number of rooms is showing a positive relationship to the likelihood of each proxy variable. The small hotels tend to be less environmentally oriented as per the probit regression results. Therefore, sufficient attention has to be paid in order to understand the constraints and issues faced by the small hotels in making their business more environmentally oriented, so that they can have better market advantage.

In addition, the hotels which are affiliated to either local or international hotel chains are more likely to be positive for all the proxy variables under consideration of this study. This relationship has been proved by other studies based on various contexts^[1, 3].

Also, the location of the hotels, in terms of city hotels, beach hotels and other categories do also have a significant impact on proxy variables of environmental orientation. The location of the hotels in the case of the Western Province might be associated with the target groups of

tourists. On average, 53 per cent of the customers in the city hotels are for business purposes, while the percentage of customers who come for business purposes is only 15 per cent in the other hotels. The percentage of customers who come for recreational purposes is only 35 per cent on average in the city hotels. This percentage is significantly higher (79 per cent on average) in other hotels. This might be a possible explanation for the differences in environmental orientation in the city hotels and other hotels. Also, the city hotels seem less likely to be environmentally oriented when maintenance of environmental records, environmental awards and involvement in relevant projects/programmes are considered. City hotels are more likely to have EMS, when compared with the other hotels.

According to the results of the study, environmental orientation is likely to be high in larger hotels and the chain-affiliated hotels. The results suggest that there is a need for motivating the independent and small hotels to adopt environmental management practices. This will have to be supported with comprehensive research-based evidence on the reasons for not being environmentally-oriented.

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SATISFYING ENVIRONMENTALLY-FRIENDLY TOURIST'S EXPECTATIONS THROUGH INNOVATION IN 'GREENING' SRI LANKAN HOTELS

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Abstract

This paper aims to provide a snapshot of an innovative national project in “Greening Sri Lankan Hotels” (GSLH) in the context of tourism in Sri Lanka. The co-authors opted for an evident-based conceptual approach in writing this paper. A key finding is that the customer focused Environmentally-friendly Sustainable Operations (ESO) of Sri Lankan hotels is an innovative response to the global tourism trends. Having analysed ESO, the authors of this paper test Evolving Tourist Expectation Model (ETEM), developed by two of the authors recently. The five stages of this model represent key segments of tourists and hotel guests. This model should be further tested. Considering that ESO is not a luxury anymore and it is now simply the norm for hotels, hoteliers in Sri Lanka as well as around the world should benefit from this paper. Results of the four-year, European Union funded GSLH project is presented as a best practice case study from Asia. In conclusion the authors suggest seven key steps for the benefit of any developing country who may initiate an industry-wide “Greening Hotels” project.

Keywords: Sri Lanka, tourism trends, tourist expectations, environmentally-friendly hotels, green hotels, sustainable operations, innovative projects, energy efficiency, water and waste management

01. INTRODUCTION

The next few decades will challenge companies to differentiate themselves by looking beyond traditional environmental strategies in order to appeal to the rapidly growing market of socially and environmentally-conscious travellers. The concept of “Sustainable Travel and Tourism” is no longer new; it is now the norm [15]. In the future it will be vitally important for hotel and resort developers, owners, operators and managers to proactively implement sustainability throughout the design and construction of new properties. Given the uncertainty of regulation expected in the future, hotel developers and operators need to be involved in policy discussions so that timely functional decisions can be made.

A protected, clean and healthy environment is not only good for tourism, but it is also the key to its competitiveness. Many tourists are today willing to spend more, and choose destinations which have good sustainable conservation practices [12]. There should be good understanding of how to manage and develop tourism in a sustainable manner. It does not mean completely suppressing tourism simply because it is affecting the environment, but rather, managing it in such a way that it does not cause negative disturbances to nature and culture of the host country. If this is done in a sustainable manner, tourism is most likely to provide long term improvement in many aspects [16].

Hoteliers should also clearly understand the ‘new’ emerging tourist. They are information savvy, more demanding, have wide and complex range of demands, seek more personalized experience, and have higher expectations levels. In a research study done by Fast Future Research, and commissioned by Amadeus, entitled ‘Hotels 2020: Beyond Segmentation’ it was found that tourism has to “move away from segmentation”, and towards a “total service model, delivering a personalized experience through a wide spectrum of service choice” [1].

The emerging demand of the discerning tourists is for more experience, exploration and learning, rather than the old fashioned, basic needs for good rooms, good food and facilities.

Based on recent research the following top five future trends can be predicted:

1. Tourists in the young adult demographic will represent a significant future tourist market of environmentally-conscious consumers with changing preferences.
2. Hotel accommodations will continue to burden the environment and may create new costs for the industry, as regulations to reduce emissions will take effect in the future. Developers should be proactive to ensure that new hotel building designs fully incorporate sustainability.

3. Corporate client base of the hotel industry is significant and its concerns, ranging from keeping conferences green to promoting employee health and wellness, will keep the hotel industry thinking of ways to be creative.
4. Engaging hotel guests in sustainability efforts – by educating them on how they can minimise their room’s energy use, highlighting local food options on the menu and providing incentive programs for foregoing daily room cleaning – will empower guests to participate while helping the hotels achieve efficiency targets.
5. More tourists are seeking authentic travel experiences that allow them to participate in local cultures. Travel operators who package trips in a creative manner to allow tourists to have a cultural travel experience and remain sensitive to the interests of local cultures, stand to benefit [11].

In the past, hotels may have been able to argue that going green compromised the sector’s luxury image, but as the market for sustainable travel grows, hotels and tour operators have realised they can enact “green” strategies while impressing their guests [7]. Sustainability will play a more important role in determining consumer preferences in the coming years, with research findings ranging from travellers willing to pay a premium to stay at sustainably-minded hotels, to tourists taking environmental factors into consideration when travelling [3].

Expedia in one of their recent studies, showed that over 75% of 5,000 respondents were familiar with the hotel industry’s efforts to improve environmental performance, but were more interested in how the sustainability efforts had affected their experience, and how they themselves had contributed to helping the environment [13]. In the past, it may have sufficed to undertake a number of sustainability initiatives “behind the scenes” and later disclose them in sustainability reports, but in the future, it will be critical to engage consumers in corporate sustainability programs to maximise returns on investments. Deloitte research has indicated that these efforts could pay large dividends to hoteliers as consumers stick to choices that are aligned with their values, and this fosters brand identity and loyalty [4].

02. TOURISM IN SRI LANKA

When Sri Lanka commenced organized tourism in 1966 the island received only 19,000 tourists during the whole year. By 1972 the arrival figures went up to 56,000. Over the next 40 years, in spite of various challenges, tourism arrivals grew as shown in the table 1.

Table 1

A Summary of Tourism Arrivals to Sri Lanka

10-year periods	Average tourist arrivals per year *	Arrivals increase % for 10-year period
1973-1982	208,000	-
1983-1992	270,000	30%
1993-2002	382,000	41%
2003-2012	607,000	59%

* Calculations based on statistics published by Ceylon Tourist Board / Sri Lanka Tourism Development Authority [2]

26 years of war from 1983 to 2009 affected tourism in Sri Lanka resulting in low demand, low prices and a reputation as a cheap destination. Turnaround came when the war ended in 2009. In 2012 Sri Lanka passed two milestones in its tourism history by emerging as a ‘Million Tourist Destination’ and a ‘Billion Dollar Export Income Earner’. A positioning statement such as: “*Asia’s diverse, authentic and compact island*” aptly captures the product and service offering of Sri Lanka as a tourist destination. In terms of tourist receipts, arrival figures and destination image among the international tourism community, 2013 is most likely to be the best year so far, for tourism in Sri Lanka. Among others the following accolades are noteworthy:

- Lonely Planet ranked Sri Lanka as the “# 1 destination in the world to visit in 2013” [14].

- FutureBrand listed Sri Lanka for the first time in the FutureBrand Index In 2012-2013 and ranked her # 67 out of 118 countries listed. Sri Lanka outranked its neighbours, the Philippines, Vietnam and Indonesia in terms of “safety” and “most like to live in” attributes [6].
- The Travel & Tourism Competitiveness Index (TTCI) of World Economic Forum, in 2013 ranked Sri Lanka # 14 among 25 countries in Asia Pacific and # 74 among 140 countries in the world. In 2013 Sri Lanka did remarkably well by placing # 11 in the world for one indicator - “Government prioritization on travel & tourism industry” [17].
- World Tourism Organization (UNWTO) placed Sri Lanka # 3 in South Asia behind India and the Maldives in terms of international tourist arrivals [18].

Table 1
Tourism Rankings of Sri Lanka

Ranking Organization	Category	Sri Lanka's Rank
Lonely Planet	Best in Travel 2013 - Top 10 countries	# 1
World Tourism Organization	Tourism Highlights 2012 International Tourism Arrivals – South Asia	# 3 (out of 9)
World Economic Forum	Travel & Tourism Competitive Index (TTCI) 2013 – Asia Pacific	# 14 (out of 25)
FutureBrand	Country Brand Index 2012-2013	# 67 (out of 118)
World Economic Forum	Travel & Tourism Competitive Index (TTCI) 2013 – Worldwide	# 74 (out of 140)

In 2011 Sri Lanka set a target of reaching 2.5 million tourists by 2016. Simply looking at the number of hotel rooms available and in new hotels in the pipeline, as well as the skilled hotel labour needed to provide services; it is now clear that Sri Lanka cannot achieve such an optimistic target by 2016. The total room stock available for tourism in Sri Lanka was 22,260 in 986 hotels / accommodation units by early 2013. There were 15,510 rooms in 281 hotels (including boutique hotels). In addition, there were 6,750 rooms in 705 supplementary accommodation units (guest-houses, rest-houses, holiday bungalows, home stays and youth hostels).

Sri Lanka has enjoyed a high occupancy rate in 2012, with an average annual room occupancy rate of 70%. Sri Lanka's occupancy trend has shown marked seasonality. There have been many forecasts and calculations done about the required room statistics that is needed to accommodate 2.5 million tourists. For over 40 years the average stay of tourists in Sri Lanka remained around 10 days. Owing to increasing arrivals by short-stay tourists from India and the resulting change of market mix, this is likely to go down slightly in the future. Sri Lanka could reach a revised tourist arrival target of 1.9 million by 2016 with a total room stock of around 33,000 if the average stay drops to 8 nights. This appears to be more realistic. The authors predict that Sri Lanka could reach 2.5 million tourist arrivals target by 2018 with a total room stock of 39,000 rooms [8].

The breakdown of room stock by the start of 2013 was as follows:

Table 3

A Breakdown of Rooms Stock for Tourism in Sri Lanka

			# of units	# of rooms	Average unit size (rooms)	Room mix %
Room categories						
	6,215	5-star	15	3,230	215	14.5%
15,510	High quality hotel rooms	4-star	18	1,784	99	8.0%
Rooms	= 28%	3-star	14	1,201	86	5.4%
in	9,295	2-star	33	2,022	61	9.1%

hotels	Average	quality	hotel	1-star	35	1,171	33	5.3%
= 70%	rooms			Unclassified	166	6,102	37	27.4%
	= 42%			*				
		6750			705	6,750	10	30.3%
Rooms in supplementary accommodation								
		= 30%						
		Total			986	22,260	23	100%

Reference: Sri Lankan Tourism Development Authority (SLTDA) [2].

*These hotels with potential for rating in different star categories are not yet classified by SLTDA.

Riding the wave of post-war optimism, international and Sri Lankan investors have initiated various hotel projects in Sri Lanka and the bedroom capacity is rapidly increasing. Already some 9000 new hotel rooms are being built. Based on recent research, it is evident that new thinking and innovative solutions are needed to ensure the future success of tourism in Sri Lanka. In that context, authors suggest more focus on environmentally sustainable operations (ESO) in hotels in Sri Lanka to attract high-end tourists.

03. EVOLVING TOURIST EXPECTATION MODEL (ETEM)

Having analysed the Environmentally-friendly Sustainable Operations (ESO), two authors of this paper recently presented a concept titled Evolving Tourist Expectation Model (ETEM) [9]. [10]. This model is presented as figure 1, in the context of:

- Global trends,
- Post-war trends in Sri Lanka,
- Sri Lanka destination strategies, and
- Changing attitudes, behaviour and expectations of the tourists.



Figure 1. Evolving Tourist Expectation Model (ETEM)

Five Key Segments of Hotel Guests.

As presented in figure 1, there are five stages in ETEM, representing key segments of tourists and hotel guests. In the context of tourism of Sri Lanka these five stages can be described as:

1. *Guests who are easy to satisfy with basic products at cheap prices.* These guests aim to get 'good deals' and usually not too worried about lack of environmentally-friendly practices in hotels. Most 'charter flight' guests who patronized Sri Lankan hotels during the 26-war from 1983 to 2009 belonged to this segment. They played an important role during those tragic years to help many Sri Lankan hotels to avoid bankruptcy, for which Sri Lanka should be grateful. However, this segment is currently in the decline.
2. *Guests who are satisfied with good core products in hotels such as rooms, facilities and food.* These guests aim to get 'good products' at good values and usually not that worried about lack of environmentally-friendly practices in hotels. Most guests who patronized Sri Lankan hotels during the last few years since the end of the 26-war in 2009 to 2013 belonged to this segment. This segment is still quite large in Sri Lanka, although declining.

3. *Guests who are expecting basic ESO in addition to good core products in hotels.*
These guests aim to stay only at hotels who have initiated environmentally-friendly practices. Most of the current day guests belong to this segment. This segment will continue to increase for the next few years and very likely will replace most of the guest from first two segments.
4. *Guests who are insisting on experiencing good ESO and enjoy these practices immensely.* These guests will stay only at hotels who have well-established and well-managed environmentally-friendly, sustainable practices. Currently a small segment, but with the potential of rapid increase in size and influence to Sri Lankan hotels within this decade.
5. *Guests who are would not stay in any hotel which does not have excellent ESO.* These guests are usually spiritual about the concept of sustainability and actively participate and contribute to ESO during their hotels stays. Currently a very small segment, but with the potential of rapid increase in size and influence to Sri Lankan hotels over the next few decades [15].

It is possible that currently a hotel may have guests from all five segments, at the same period. However, it is observed that in Sri Lanka, the movement is clearly upward in the ETEM pyramid, both in terms of tourist's concerns for the environment and their spending power. It is likely that the higher levels will grow greater with time. This means that Sri Lankan hoteliers must focus on ESO and hotel and destination marketers must adjust their marketing strategies, accordingly. All relevant and interconnected aspects such as nation branding, destination positioning, channel selection, public relations, advertising, pricing, staff selection and training as well as the manner in which the Sri Lankan hotels are developed and managed has to change. ESO is not a luxury anymore and it is now simply the norm for hotels.

04. GREENING SRI LANKAN HOTELS (GSLH) PROJECT

The GSLH Project is a European Union funded four-year project under the Switch Asia Program, and administered by the Ceylon Chamber of Commerce. The project commenced in 2009 and completed in 2013. It was designed to enhance the environmental performance of Sri Lankan hotels through improvement of energy, water and waste management systems and reduce cost of operations and increase market acceptance of Sri Lankan hotels through promoting them as low carbon foot print green hotels [5].

The project creates awareness on sustainability among hotels all over Sri Lanka. Subsequently it provides consultation and technical inputs to identify areas for improvement and quantify the savings. The project also provides workforce training and resource management interventions. The project collects data for analysis and bench mark from 350 hotels / accommodation units.

The project has published three guidebooks:

- *Good Practice Guidelines on Environmental Management for Sri Lankan Hotels,*
- *Quick Guide to Sustainable Energy,* and
- *Environmental Design for New Hotel Construction in Sri Lanka* (prepared for the SLTDA to be given to all new developers).

Currently the project is compiling three more publications:

- *New Green Accreditation Scheme for Sri Lankan Hotels,*
- *Green Practices of Sri Lankan Hotels (selected case studies),* and
- *Resource Consumption Benchmarks for the Hotel Sector in Sri Lanka.*

Out of 350 hotels(including hotels and supplementary accommodation units)registered with the project, the team has conducted walk through energy, water and waste audits of more than 140 units (40%) and conducted 10 Resource management / review workshops in different regions of the country.

The GSLH Project was adjudged the winner in International “Sustainable Development in Tourism” awards - the category of educational programs and media at the 73rd World

Congress of the Skål Tourism Society held in South Korea in 2012. The award recognized the outstanding training, leadership, and commitment to sustainable tourism principles and practices delivered through project activities. The project was also adjudged the Best Project in the Asian Region at the Annual SWITCH-Asia Networking Event, in 2011. The project was chosen to be showcased at the EU head offices in Brussels in 2012 with a view of studying the feasibility of replicating the program in other regions of the world.

For the past two years the project has successfully conducted a green awards scheme for all hotels registered with the project which has proven to be very popular, with the number of entries in 2013 reaching 48, with an annual increase of around 25%, which is a record for any such industry specific award scheme in Sri Lanka.

Findings from the GSLH 2013 research survey.

General.

The GSLH project recently released their first research survey of a cross section of Sri Lankan hotels, analysing the extent of green practices being implemented in hotels. It is the first survey of such sustainability consumption practices in hotels ever done in Sri Lanka. This research survey was carried out to study the implementation of green practices among the tourist hotels in Sri Lanka by analysis of data collected from 300 units (a sample of 86% of the total registered units), from all touristic regions and a cross section of sizes.

The green practices of hotels identified covered energy usage, water usage and waste management practices. Aspects of green energy usage covered were efficient lighting, efficient air conditioning, solar water heaters, biomass boilers, key switches, power factor correction and alternate power. Installation of dual flush toilets, low flow showers and taps, linen and towel reuse, availability of sewage treatment plants, solid waste segregation and biogas plants were the aspects of green practices in water use and waste management covered.

Energy.

- The study revealed that the most commonly adopted green intervention is energy efficient lighting.
- More than 85% of the hotels have partially or completely switched to CFL and LED lighting from incandescent lighting, the smaller hotels having nearly completely switched, while most of the larger hotels are in the process of gradual switching, due to the larger numbers to be replaced. CFLs are popular because these lamps are affordable and the savings they bring in are widely accepted. There is also a national green labelling scheme for CFLs to support in decision making. LEDs are less wide spread due their initial cost and lack of a supporting green labelling scheme.
- In contrast, only 9% of all hotels use energy efficient air conditioning. Most hotels have very old inefficient air conditioning plants.
- However, air conditioning is relevant to only about 40% out of the total number of hotels in the sample studied, as those in the colder climates do not require air conditioning and the smaller hotels in the East coast do not offer air conditioning due to the level of operation.
- Solar water heaters are quite common in the larger hotels (49%), whereas it is not considered affordable by the smaller establishments, where less than 20% have installed them.
- Key switches are also quite common in the larger hotels (60%) while only a few (11%) of the small and medium scale establishments have invested in them.
- As for the installation of capacitor banks for power factor correction, it is relevant to only the larger establishments that use 3 phase power, and nearly 45 % of the hotels in that category have invested in them, in order to reduce the KVA loading and hence the electricity bills. Some of the medium scale hotels also have resorted to this intervention.
- Use of alternative energy sources such as biomass boilers using cultivated wood, mini-, micro and pico-hydro power, solar PV and wind energy is not very well established in the hotels yet, perhaps due to the uncertainty of sourcing of raw materials, high investment and long payback periods and unreliable technical support.

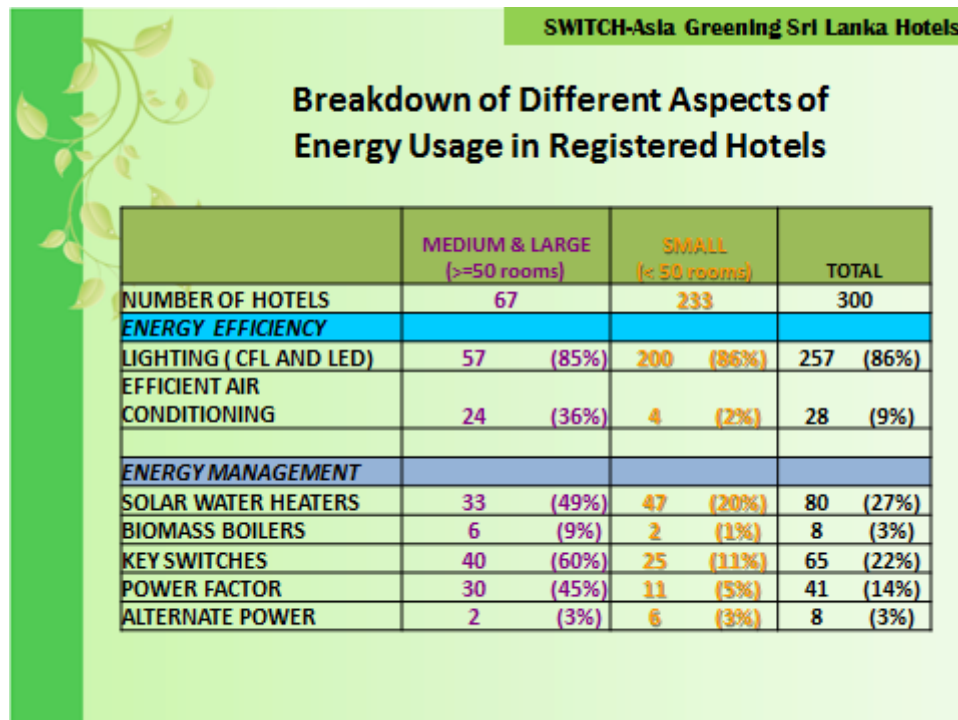


Figure 2. Energy efficiency in Sri Lankan hotels

Source: EU SWITCH-Asia Greening Sri Lankan Hotels Programme [5].

Water and Waste Management.

- Small capacity dual flush toilets are gaining popularity in both large (72%) and SME (70%) sector hotels, although the replacement of existing high capacity fixtures is not warranted due to long payback periods.
- 57 % of the large hotels were found to have installed low flow taps and showers, while only 29 % of the SME hotels have done so. Towel and linen reuse programs are in operation in 35% of the larger hotels and only in 4% of the SME hotels.
- Overall, the adoption of green interventions for water conservation is not very high, the main reason being the availability of water at relatively low cost in most areas of the country, resulting in less attention being paid to water conservation and lower priority for investment on water saving devices.
- The scenario is somewhat better in the case of waste management, particularly in the large hotel sector, perhaps due to the regulatory requirement and enforcement by the environmental authorities, and grant and subsidy schemes that were available for installation of sewage treatment plants in the recent past.

- 76% of the large hotels have their own sewage treatment plants, and the balance is connected to the city sewers or common treatment plants.
- Solid waste management is also happening to some satisfactory degree in 84 % of the larger hotels and in 52% of the SME hotels. This is mainly due to the availability of a secondary market for some types of solid waste that can be recycled and reused.
- Biogas systems are available in a few large and SME sector hotels and the popularity of these appear to be increasing, due to the availability of better operating systems and technical support, made available through the GSLH Project.

SWITCH-Asia Greening Sri Lanka Hotels

**Breakdown of Different Aspects of
Water and Waste Management in Registered Hotels**

	MEDIUM & LARGE (≥50 rooms)		SMALL (< 50 rooms)		TOTAL	
NUMBER OF HOTELS	68		232		300	
WATER						
DUAL FLUSH TOILETS	49	72%	162	70%	211	70%
LOW FLOW SHOWERS AND TAPS	39	57%	67	29%	106	35%
LINEN AND TOWEL REUSE	24	35%	9	4%	33	11%
WASTE						
SEWAGE TREATMENT PLANTS	52	76%	28	12%	80	27%
SOLID WASTE SEGREGATION	57	84%	121	52%	178	59%
BIOGAS	7	10%	4	2%	11	4%

Figure 3. Water and waste management in Sri Lankan hotels

Source: EU SWITCH-Asia Greening Sri Lankan Hotels Programme [5].

05. CONCLUSION

Overall, it appears that a growing number of Sri Lankan hotels and accommodation units are carrying out greening practices, although the situation could improve by more units adopting these interventions. Most units surveyed are practicing good energy management initiatives, particularly in the areas of lighting and solar water heating. However, water management is

somewhat lagging, and waste management also needs to be improved. Most units are thus now becoming aware, that adopting good ‘green practices’ is not only vital for operational cost management and optimization of profitability, but also as a good marketing tool.

Learning from this best practice in Sri Lanka, the authors suggest following seven key steps for the benefit of any developing country who may initiate an industry-wide “Greening Hotels” project:

1. Create awareness and the benefits of a good energy, waste and water management programme throughout the sector in a comprehensive manner.
2. Engage individual hotels who show interest, appoint one environment champion for each hotel, and conduct intensive training programmes and proper record keeping habits.
3. Undertake a quick walk-thru audit to identify the low-cost / no-cost interventions that can be implemented immediately.
4. Help identify and evaluate before and after scenarios and clearly quantify savings.
5. Celebrate small victories with peers.
6. Work on long term plans and analysis to identify and implement larger energy efficiency projects, identify potential savings and help prepare a bankable project report for funding.
7. Continue and build upon the Green awards scheme for hotels to showcase, recognize and reward best performers.

Sri Lankan hotel industry has taken several innovative and positive steps towards satisfying environmentally-friendly tourist’s expectations. However, continuous attention to ESO in hotels and concurrent and relevant changes to destination marketing strategies will help Sri Lanka to prosper in tourism in the long run.

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[12]

RESPONSIBLE TOURISM: CONSERVING CULTURE AND TRADITIONS THROUGH TOURISM IN MADURAI. TAMILNADU, INDIA.

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Abstract

Madurai - 'The Athens of the East' is said to have flourished in the 10th century A.D, which was the time when the Pandyas rule was captured by the Cholas. Madurai is one of the few cities which have a great adaptability to the changing circumstances of politics and time that has enabled her to keep her connects with the past intact, hence it maintains its rich historical heritage. Madurai has a good deal of culture and civilization. Madurai is considered as a temple city. It represents the glorious heritage of the Dravidian architecture. Its cultural heritage is reflected in its various festivals like the Chithrai festival, Car festivals and Jallikattu bull fights. Madurai is the city of many religions and hence it is a pilgrimage centre for the Hindus, Muslims and the Jains. Madurai was under the sovereignty of the Delhi sultanate and latter under the Carnatic Nawabs. So many Mosques and tombs were built during their periods. The Jain vestiges of Madurai are found on the western slopes of the hills. The worship of village gods is the most ancient form of Indian religion. In almost every village of Madurai we can see a village deity being worshipped and propitiated. Hence Madurai has a great potential and prospects for the growth of International and domestic tourism. Preserving and developing the culture through tourism is essential for stability and sustainability, for it might deteriorate the cream of the product itself.

Keywords: *adaptability, historical heritage, pilgrimage centre, vestiges, propitiated, preserving, sustainability, deteriorate.*

01. INTRODUCTION

Tourism in India has grown rapidly and enhanced its share in international tourist arrivals as well as in foreign exchange earnings. Now it is one of the largest service industries in India, with a contribution of 6.23 percent to the national GDP and 8.78 percent of the total employment in India. According to the World Travel and Tourism Council, India will be a tourism hot spot from 2009 to 2018 having the highest ten year growth potential. \

Cultural Tourism

The Cultural Tourism generally focuses on traditional communities which have diverse customs, unique form of art and distinct social practices, which basically distinguishes it from other types of tourism. Cultural tourism includes tourism in urban areas, particularly historic or large cities and their cultural facilities such as museums and theatres. It can also include tourism in rural areas showcasing the traditions of indigenous cultural communities their values and lifestyle cultural attractions play an important role in tourism at all levels, from the global highlights of world culture to attractions that underpin local identities.

Methodology of study

In the present study use of both primary resources and secondary resources was made to evaluate the potentials and prospects of cultural tourism in Madurai. The secondary data have been collected from books, journals, reports and unpublished records. The primary data was collected from the people who are involved in various tourism organisations and tourist visiting Madurai is interviewed.

Objectives of the Study

- To explore the historical and cultural potential areas in which the resources are under or over utilized, and bring out the benefits from tourism in this region.
- To evaluate the role played by various organisations and stakeholders of tourism industry in conserving the culture and tradition of Madurai which helps to promote tourism of this region.

Madurai as an Historical and Cultural Destination

Madurai, the abode of Goddess Meenakshi is a well-known pilgrim center and is one of the oldest cities in South India. For the last 2500 years it has been a great center of South Indian culture and civilization. In India the history and culture of a region often centers around the temple. Madurai is also the famous and ancient home of Tamil Culture. The origin of this ancient city is very obscure for it goes back to a legendary past. Tradition refers to the existence of three academics known as **‘Three Tamil Sangams** in the Pandyan Kingdom. Madurai – ‘The Athens of the East’ is said to have flourished in the 10th century A.D, which was the time when the Pandyas rule was captured by the Cholas. From 920 AD till the beginning of the 13th century, it was ruled over by the Cholas. Madurai was again captured by the Pandyas and they ruled the place from 1223 AD. It was the Pandya rulers who spread the language of Tamil and many master pieces in the Tamil language like Silapathikaram is said to have been created in those days.

Tourist Attractions of Madurai

Madurai a magnificent city has still kept alive its rich and vibrant culture which is echoed by the colourful and lively people, festivals, religious customs, literature, folk arts and the like. Its past glory is experienced by its impressive temples and palaces. Madurai is a wonderful tourist destination. It has a glorious past and a rich tapestry of history. Madurai is often referred as “City of temples” it is the home of Dravidian art and culture, characterised by the amazingly ornate temples with their soaring towers known as Gopurams. Madurai celebrates all its festivals in colourfulnessplendour.

TABLE:1 Tourist Arrival Statistics to Madurai

YEAR	FOREIGNERS	INDIANS	TOTAL
2006	27,207	33,02,293	33,29,500
2007	39,592	34,96,028	35,35,620
2008	46,722	35,86,549	36,33,271
2009	52,315	52,98,561	53,50,876
2010	55,892	58,35,526	58,91,418
2011	74,787	66,26,249	67,01,036

Source: Tourism Department, Madurai

Factors Motivating the Frequency of Visit to Madurai

Weighted scores are calculated for five factors, according to which ranking given to them by the respondents. The reason ranks first receives five points. The reason ranks second, third, fourth and fifth receives four, three, two and one point respectively. The points each factor receives are totaled to obtain the weighted score for that factor. The five factors, the weighted scores each of them receives and their ranking are shown in below Table

TABLE 2 Factors Motivating the Frequency of Visit to Madurai

Motivators	FIRST RANK	SECOND RANK	THIRD RANK	FOURTH RANK	FIFTH RANK	Total	Rank
Temples and cultural places	137	98	41	41	83	1365	1
	34.3%	24.5%	10.3%	10.3%	20.8%		
Attitude of the locals	41	79	82	157	41	1122	4
	10.3%	19.8%	20.5%	39.3%	10.3%		
Facilities available	60	40	121	82	97	1084	5
	15.0%	10.0%	30.3%	20.5%	24.3%		
Packages available	96	102	60	60	82	1270	2
	24.0%	25.5%	15.0%	15.0%	20.5%		
Good food	66	81	96	60	97	1159	3
	16.5%	20.3%	24.0%	15.0%	24.3%		

Source: Primary source

It could be observed from Table, that the “Temples and culture” has been the prime motivator for visit to Madurai. The next important reason “package available” is another motivator with a weighted score of 1270. The next important reason is “Good food “followed by attitude of the locals and facilities available.

Meenakshi Temple

The Meenakshi Temple presents a magnificent blend of the continuous process of the evolution of the Dravidian art and architecture of South India. The Sculptors had lavished

their skill in adorning the tall towers and mandapams of the temple. Carvings have an aesthetic attraction and they proclaim the heritage, culture and tradition of the Tamils.

Therefore any person interested in spiritual advance or in the study of culture and art of Tamilnadu needs no invitation to this Temple in Madurai. The twin temple of Meenakshi Sundareswarar's complex is literally one of the largest of its kind in India, undoubtedly the oldest. Various kings renovated it, adding convoluted corridors. It is believed that most of the temple as it stands today, owes its existence largely to the endeavor of the Nayaks, who descending from Vijayanagar rulers, guided its destiny in the 17th century. Shiva in his incarnation as Sundareswarar and his fish eyed spouse Meenakshi, are enshrined in this twin temple. There are four massive gateways enclosing the two temples. The huge temple is in the entire of the town and all roads are so paved that they are parallel to the sides of the shrine. The temple enclosed by walls 847 feet by 800 feet are crowned by four soaring gopurams on all sides. The highest is the south tower rising to 152 feet. Though all the gopurams look alike from distance, each is distinct. The west gopuram is carved with stucco figures from Hindu mythology while the north has only specimens of temples and vimanas. The present design of the temple was laid by Visvanatha Nayak (1560 A.D) and further improved by successive rulers. It is related that it cost 12 million rupees and took 120 years for near completion.

Tirumalai Nayak's Palace

It is a 375 year old monument that stands a testimony to the glorious years of the Nayak regime. Tirumalai Nayak constructed the palace to mark the shift of his capital from Trichy to Madurai. The building was constructed with the methods and techniques that were considered novel in those years. Tirumalai Nayak is credited with having constructed a number of buildings in Madurai and among these the most outstanding are the Pudu Mandapa in front of the east Gopura, the large Vandiyur Teppakkulam to the south-east of the city, and the palace named after him in the south-east corner within the fort. The palace grounds originally occupied an area of a square mile, but some of the buildings in this immense area were pulled down and removed to Trichinopoly by Chokkanatha Nayak for constructing his palace there.

About the beginning of the 19th century the palace was in ruins and it was difficult to identify the buildings or to reconstruct the layout of the original palace. The palace remains intact mainly because of Lord Napier; Governor of Madras Presidency allotted Rs.5 lakh in 1870, a

princely amount in those years for restoration of the Mahal. During the British period the palace was used for various purposes including an army barrack and as a manufacturing hub. During post-Independence period it was used as Madurai –Ramanad district court till 1970, after which it was declared as the “Protected Monument” by the State Archaeological Department.

According to the Assistant Director (in charge) of the state archaeological department posted in the mahal said that based on the ticket sales, around 5000 domestic tourists’ visit the mahal every day. During weekends and holidays an additional 500 to 1000 visit as school and college students arrive as part of educational tour. To improve the infrastructural facilities in the tourist destination under the Government of India Assisted Scheme -1999-2000 – Development of Parking area at Tirumalai Nayak Palace, was completed and the sanction of final installment of Rs.11.20 lakhs (Rupees Eleven lakhs twenty thousand only) released by the Government of India – Orders issued

Mangammal’s Palace

To the north – east of the Temple are a block of buildings known as Mangammal’s palace. These are now occupied by a municipal market and other offices. The only remains of the palace that are seen today are certain remnants amidst these modern buildings.

Gandhi Memorial Museum

Gandhi Memorial Museum established in 1959, was built in memory of Gandhiji located in the city of Madurai. Gandhi Museum is now one of the five Gandhi Sanghralayas (Gandhi Museums) in the country. It includes a part of the blood – stained garment worn by Gandhi when he was assassinated by Nathuram Godse.

Years after the assassination of Mahatma Gandhi an appeal was made to the citizens of India nationwide to build memorials for Gandhi. With the help of contributions of poor and rich citizens of India, a trust was established with the name Gandhi Memorial Trust (Hindi: Gandhi Smarak Nidhi), for this cause. The museum was inaugurated by the former Prime Minister Pandit Jawaharlal Nehru on 15th April 1959. Gandhi Memorial Museum in Madurai comes under the peace Museums worldwide selected by United Nations Organisation (UNO). The palace of Rani Mangammal has been renovated and made as home to the museum.

Jain Vestiges of Madurai

The Jain vestiges of Madurai are on the western slope of the hill where there are some “Pancha Pandava” beds in two natural caverns with a short Brahmi inscription. Further evidence of Jain association is on the southern face of the hill, and nearby there is a natural spring known as the Sarsvati Tirtha. Two panels of Jaina figures are carved on an overhanging boulder. The first panel has a standing image of a Jaina Tirtankara probably. Two women attendants are on either side of it and two cobras flank the figure below its knees. The other panel has a similar standing figure with a five-hooded serpent over head with perhaps an umbrella above it. This carving probably represents Parsvanatha.

Brahmanic sculptures are found a little way further to the south-west near the kasitirtha. The images of Siva, Vinayaka, Subrahmanya, Bhairava and Visalakshi are sculptured in low relief in five different cells on a boulder here. There are two other rock cut Hindu shrines. One is on the southern side of the hill and is called Umaiyardan Koyil and the other is the well-known Subrahmanya temple at the northern foot of the hill.

The word sangam is the Tamil form of the Sanskrit sangha, first popularized by the Jainas and the Buddhas. These Jains and Buddhist ascetics migrated to the Tamil country from the 4th Century B.C. onwards; previously they lived in the natural mountain caves and later in groves outside the capital cities. Till 5th century they did not influence the lives of the ordinary Tamil men. They are first mentioned in the Pattinapalai and Madurai Kanchi. A Jain Sangha was for the first time established in the Tamil country at Madura in 470 A.D. The Saiva cult began to compete with the Jain and the Buddha cults in Madura in the 6th century A.D.

Islam in Madurai

Kazimar Mosque (Masjid)

This was the first Muslim place of worship in the city. It was constructed under the supervision of Kazi Syed Tajuddin, who came from Oman, received the piece of land from the then pandya ruler king Kulasekara Pandiyan during the 13th century and is believed to be a descendant of the Prophet Muhammad. It is also the second oldest mosque in Tamil Nadu and is known as Periya Pallivasal (Big Mosque). The descendants of Kazi Syed

Thajuddin, who was appointed Kazi of the sultans, are known as the Huqdars (Shareholders). They are known as Syeds and among them are appointed Kazis to the Government of Tamil Nadu till today. The dargah of Madurai Hazrats called as Madurai Maqbara is located inside the mosque.

Goripalayam Dargah

The name Gorippalayam comes from the Persian word Gor which means Grave. This area is called as Goripalayam because the Graves of the two saints of Islam and rulers of Madurai Hazrat Sulthan Alauddin Badusha (Radiyallah) and Hazrat Sulthan Shamsuddin Badhusa (Radiyallah) are located here. Gorippalayam Dargah is located in the northern banks of the River Vaigai. The dome is 70 feet (21m) in diameter and 20 feet (6.1 m) in height and is made of a single block of stone which was brought from the Azhagar Hills.

St. George's Church, Madurai

It is recorded that Madurai was captured by the British in 1763 A.D and detachment of European Troops came to be stationed in the town. Reverend Schwartz, the famous missionary in Tanjore was now and then ministering to the congregation in Madurai. Reverend Fredrick who followed him later planned to build a church on behalf of the S.P.C.K. (Society for Propagation of Christian Knowledge). A small church was built in 1800A.D. This chapel has been described as a small building and a very plain structure.

Festivals of Madurai

Madurai, the city of living religion, is also the city of festivals. Starting from the first month of the Tamil Year, every month some festival is celebrated. The chief festivals are the chitrai, Teppakulam and Avanimoolam festivals and there are several other festivals. The chitrai festival occurs in chitrai (April-May) when the marriage of Meenakshi and Sundareswarar is celebrated and this wedding festival is also linked with Alagar festival, that is, (Meenakshi's brother) Alagar's unsuccessful journey to bring wedding gifts to his sister before her marriage.

The Teppakulam festival takes place in Tai (January-February) when the idols of God Sundareswara and Goddess Meenakshi are taken on a raft round the Teppakulam (Tank)

which will be lit with thousands of lights for the occasion. The avanimoolam festival in Avani (August – September) commemorates the various miracles performed by Lord Siva.

The Tamils were very fond of festivals and one hears of many festivals celebrated in Madurai region. Even to this day Madurai is a city famed for its festivals. Nearly 300 days in the year are festival days. The city seems to have been equally well known for its festivals been during the Sangam Age. One poet says that festivals occurred ceaselessly in Madurai. The Maduraikkanci mentions the vizha in Tirupparankanaram. This poem also says that the seven days festival and the evening festivals were celebrated in the Madurai city. The Karttigai festival was celebrated on the day of karttigi asterism in the month of Karttigai with the lighting of many lamps and offerings of beaten rice prepared from the new harvested kar paddy and boiled in milk. In the month of Tai women and young girls bathed in the rivers in the early morning and offered prayers to God. This was called Tai niradal.

Table 3:4 Frequencies of Visits of the Tourists to Festivals in Tamilnadu

Tamil Nadu				
Pilgrimage Centres	Tourists			
	Foreign		Domestic	
	f	%	f	%
Madurai	1	16.67	4	66.67
Mamallapuram	2	33.33		
Palani			2	33.33
Salem	1	16.67		
Tiruvannamalai	2	33.33		
Total frequency	6	100.00	6	100.00

Primary Source

Foreign tourists of Tamilnadu are found to be attracted more to the festivals of Mamallapuram and Tiruvannamalai. The second attraction for foreign tourist in Tamilnadu was in the festivals of Madurai and Salem. In case pilgrimage centers in Tamilnadu, majority

of the foreign tourist and domestic tourist prefer Madurai other important centers are Kanchipuram, and Kanyakumarari.

02. ANNUAL FESTIVALS

The chithirai festival is one of the biggest celebrations in Madurai. It re-enacts the wedding of Lord Sundararswarar and Goddess Meenakshi. This festival is celebrated for two weeks, it begins on the fifth day of the bright half of the Tamil month Chitrai (April in the English calendar). Legend has it that Lord Kallazhagar came mounted on a golden horse to Madurai from Azhagar kovil, a famous Vishnu temple near Madurai, to participate in the celestial wedding of his sister Meenakshi. However he arrives late and misses the wedding. Furious, he gets into the river, and then proceeds back home. One of the biggest spectacles of the chithirai festival is this procession.

The chithrai festival gives a great opportunity to the tourist to experience local life in Madurai and to see a traditional Hindu wedding ritual. It attracts huge crowds of people, who flock to Madurai from surrounding areas. The festival is celebrated with a great deal of excitement and hype with the enthusiasm of a real wedding. The celebrations extend all over the city and the streets are flooded with devotees.

03. CAR FESTIVALS

The invention of wheels not only signified the birth and advancement of civilization but also paved way for modernity. Spoke wheeled chariots also found its presence in a lot of mythological references in India where gods and kings could be seen riding chariots, (kovil ther). We can find references from old Tamil texts like silappathigaram, Manimegalai and purananooru, where cars have been mentioned. Hence temple cars also form part of the oeuvre and Tamil history and literature has a lot of reference about Temple car.

The temple festivals around Madurai will not complete without a car festival. Most of the cars are hexagonal in shape starting from four wheels to ten wheeled cars takes part in the procession. These cars are made by the blacksmiths of karaikudi and Thiruvudai maruthur. Madurai Meenakshi sundareswarar Temple car festival is the part of Meenakshi Kalyanam. Thousands of devotees witness the temple car festival which starts from karuppana swami temple at Theradi. As the 'Chapram' of lord Vinayagar and cars of lord sundareswara and piriyavidai and Goddess Meenakshi, rolled out on the four Masi streets.

Village Deities of Madurai

An account of the religious conditions of the people will be in complete without a reference to the village gods and deities that protected the people of the respective villages from evil spirits and contagious diseases like small pox and cholera. They were propitiated to save the folk from such calamities. As whitehead writes that sole object of the worship of these village deities is to propitiate them and avert their wrath. There is no idea of praise and thanks giving, no expression of gratitude or love, no desire for any spiritual or moral blessings. The one object is to get rid of cholera, small pox. The worship therefore, in most of the village takes place occasionally.

Organisationsinvolved in conserving the culture and tradition of Madurai

Confederation of Indian Industries CII is a non-government, not-for-profit, industry led and industry managed organisation, playing a proactive role in India's development process.

Madurai Vizha:Confederation of Indian Industries Madurai Zone organises the mega event “Madurai Vizha”. This Magnificent event in Madurai conducted every year at Gandhi Museum Grounds at Madurai. Madurai Vizha showcases the cultural importance of Madurai and the city’s diversity, history & arts. The three day event brings out the multifaceted aspects of the heritage and showcased Madurai as a cultural tourism destination. The event highlights the food culture, ancient literature, traditional systems of healing, local arts & crafts, folk dance, traditional games and many more cultural attractions of Madurai. The objective of Madurai Vizha was to create a strong awareness about tourism potential of Madurai among its citizens and to increase the tourism potential of Madurai and also to encourage traditional arts & crafts, folk performances and the culture of the region by creating greater exposure & publicity. This event showcases various aspects related to traditional dance, games, visual models etc. like Silambattam, Thaayakattam, Vazhukumaram, Adupuli, Karagataam, Oilattam, Poo Thoduthal, Pulli Kolam, Heritage costumes & Heritage food which gave the people a real time experience of their past rich cultural heritage. The financial assistance to the Vizha is provided by the Tourism Department of Tamilnadu

Madurai vizha', every year helps to project tourism potential in Madurai to national and international visitors; to highlight rural heritage and facilitate rural enterprise and create

awareness among domestic decision makers, market players and domestic tourists and compel the attention of the international entrepreneurs to the vast untapped tourism potential waiting to be harnessed.

DHAN Foundation

DHAN Foundation, a NGO promoting tourism for development, organises a heritage walk every second Sunday of the month where people are taken on a tour of historical places in Madurai. On Sunday, DHAN arranged a heritage walk covering nine important places starting from the West Tower of the Meenakshi Amman temple. These included historical places in the western part of the city like St George church, Khadikraft outlet where Gandhi stayed in 1921, Immayail Nanmai Tharuvar temple, Madhana Gopala Swami temple, Koodalazhagar temple, Kajimar Mosque, West Gate Bastion and the European Cemetery. Archaeological scholar V Venkataraman and history scholar R Venkataraman, explained the significance of these places to the participants. On the sidelines of the heritage walk, a Tourism department official Dharmaraj said that the tourism department along with agencies like DHAN had taken up the project of using paver blocks to guide people to 12 important heritage sites in the city.

The paver block route will start from the Meenakshi Amman temple's east tower and will go through Nagara Mandapam, Puthu Mandapam, Elukadal Street, Rayagopuram, Vittavasal, Temple Cars, Courtwal Choultry, Vilakku Thoon, Pathu Thoon, Sethupathi hospital and will end at the Tirumalai Nayackar Mahal. At all these sites, a steel board explaining the place and its history will be displayed. By following these paver blocks, tourists can visit all these places and learn about them, Foreign and north Indian tourists will benefit from the project as they need not depend on local guides to visit these places. The Madurai Corporation will carry out the project and to create these unique paver blocks, which will be easily differentiated

INTACH Madurai Chapter

A heritage once lost is lost forever. In the past hundred years more historic monuments have been pulled down in the name of progress, more artifacts stolen thanks to the flagrant vandalism and more oral traditions lost. Invaluable works of art and manuscripts are discarded without documentation and records. At this rate conservation of our heritage and cultural testimonies has become our outmost responsibility and protection against such

morale decay has proved to be indispensable. INTACH (Indian National Trust for Art and Cultural Heritage), established in 1984, was born right at the moment when the country was badly in need of it. INTACH is a prolific non-profit organization having numerous volunteers deeply committed towards conserving and enhancing India's diverse cultural heritage. INTACH's principal strength comes from its Chapters that form a wide network throughout the country

Madurai Malli Workshop

Madurai Malli is a special name given to the jasmine flower grown in the geographical area bounded by Aruppukkottai, Thirumangalam, Natham and Melur. People claim that the flowers in this area has specialised characters like deep fragrance, thick petals, lengthiest petiole and late opening of buds, though it does not have scientific validation. Tamilnadu Agricultural University, Coimbatore on directions from Government of India is making efforts to patent it. Madurai Malli has colour of greenish white while harvesting and changes into creamy white after a certain hour. The special characters of Madurai Malli enable vendors to preserve the flower under freezing condition for two days which is impossible in other Jasmine flowers. The flower market of Madurai is a busy place because it is a place where the International perfume creator of French fashion house Christian Dior, Francois Demachy visits every year to imbibe the fragrances that help him create the floral perfumes that Dior is renowned for. Jasmine sambac which has strong and unique ingredient is used in Jadore perfume. Jasmine CE Pvt Ltd has been supplying Dior with jasmine grandiflorum, sambac and tuberose extracts since 2007. A workshop was organised jointly by Indian National Trust for Art and Cultural Heritage (INTACH), Thiagarajar College and DHAN Foundation to empower the flower vendors by way of teaching them new and innovative methods of tying, preserving, packing and marketing "malli poo" in myriad forms.

04. CONCLUSION

Madurai has always been famous for its rich heritage and ancient culture. Madurai's glorious past and cultural diversity make a potent blend which attracts millions of tourists each year to its heritage tourist attractions. Tourism in Madurai helps to conserve the rich heritage and culture of this region. The government of Tamilnadu and the Ministry of Tourism and Culture encourage cultural and heritage tourism in Madurai by offering several benefits to the

places that are particularly famous for attracting tourists. Madurai is emerging as an attractive heritage tourist destination for fresh investment in manufacture and service sectors

Findings and Suggestions:

The entire Madurai region is a historical destination to attract both domestic and international tourists'. The strategy of government for the promotion of tourism in the state is to improve tourist facilities at all the tourist centers. The study of administration of the local municipal authorities in the maintenance of civic amenities, infrastructure network may include transportation, water supply, energy/power, waste disposal and telecommunication is very essential because it is an integral part of tourism development in this region. Inadequate infrastructure is one of the most serious constraints on future tourism development. To overcome constraints and problems, an integrated planning approach and formulation of master plans should be encouraged

Sustainable development of a destination includes checking the carrying capacity of Madurai, where most of the tourists should be satisfied without disturbing the local environment and community life.

In the Tourism sector there is not a shortage of man power, but there is an acute shortage of trained man power in the tourism sector. Developing human resources in the tourism industry faces unique challenges, because customer preferences, travel patterns, information technology and conditions at destinations are changing rapidly. As a result, strong and flexible human resources development strategies are needed

Suggestions based on the interviews held with the Tourists:

Madurai has an enormous potential to develop it has "heritage city" which can attract a voluminous number of foreign and domestic tourist. Tourism is an information oriented industry. Hence more detailed and reliable information should be available to tourist about Madurai and its heritage. E.g. tourist information centre should be established at airports and railway stations. International tourist requires highly skilled professionals with profound knowledge about the history and culture of Madurai as tourist guides. Jain vestiges should be protected and maintained by the state tourism department and archaeological departments which would enable to develop a Jain tourist packages from throughout the country to

Madurai. Heritage museum and art galleries should be established to exhibit the heritage and culture of Madurai. Need to establish a cultural centre for Madurai it is a place where the folk artist performs every day to entertain the visitors. Heritage museum and art galleries should be established to exhibit the heritage and culture of Madurai. Need to establish a cultural centre for Madurai – it is a place where the folk artist performs every day to entertain the visitors. The Pudhu Mandpam, in the Meenakshi temple from which the shops are soon going to be vacated, could be utilised for staging cultural programme periodically. The site itself houses a treasure trove of sculptures.

There is a close and dynamic relationship between Tourism development and cultural heritage of the region. Thus Tourism in Madurai engage all the citizens and tourist to protect, and cherish the ancient, strong culture and heritage of Madurai and it helps to regain the glorious position occupied by Madurai in the past as one of the leading cultural and literary centres of India

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DOES GREEN INTRAPRENEURIAL FLEXIBILITY MATTERS IN SUSTAINING GREEN BASED COMPETITIVE ADVANTAGE?: EMPIRICAL EVIDENCE FROM THE HOTEL INDUSTRY IN SRI LANKA

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Abstract

Strategic flexibility is a key capability for sustaining firm performance particularly on the market driven firm paradigm. Intrapreneurship led-flexibility is aimed at quickly responding to both customer preference changes and competitor actions through innovative organizational means and leads to sustain firm's competitive advantage in a highly volatile environment. However, empirical observations in the hotel industry of Sri Lanka created a puzzle as to why some tourist hotels that had adopted certain market oriented and competitively important eco-friendly initiatives did not feel a taste of superior performance and enduring competitive advantage although theory supported that market driven business strategies lead to sustainable performance. On this ground, the purpose of the study is to explain how green based intrapreneurship and its associated strategic flexibility affect green based sustainable business performance of the industry. It was hypothesized that green intrapreneurial flexibility positively influences the green based sustainable competitive advantage namely; green based financial performance, green market place position and green inimitability. Structured questionnaires were administered to a random sample of senior managers of the listed hotels in Sri Lanka. Linear regression analysis revealed a significant path coefficient which explained green intrapreneurial flexibility positively influenced green based sustainable competitive advantage of the hotel firms in Sri Lanka. The findings have implications that hotel firms should develop green specific intrapreneurial capabilities so that they can flexibly and quickly adapt their green based product and service offerings in responding to changes of the green market requirements by focusing on green based new venture creation, green innovations, green related self-renewal exercises, and eco-friendly proactive decision making in order to sustain their competitive advantage from green initiatives.

Keywords: *Green Intrapreneurship, Hotel Sector, Strategic Flexibility, Sustainable Competitive Advantage*

01. INTRODUCTION

Background of the Study

As firms note the positive gains that can accrue through environmentally friendly marketing strategies and the potential pitfalls associated with non-environmentally friendly strategies, going green is beginning to take center stage in boardrooms around the world. There is a growing interest among top managers, stakeholders and academics regarding green marketing strategies and the potential impact on the triple-bottom line. Firms are increasingly adhering to a triple-bottom line performance evaluation, a concept coined to reflect the growing tendency of stakeholders to evaluate organizational performance on the basis of economic prosperity (i.e., profits), environmental quality (i.e., the planet), and social justice (i.e., people). Specifically, firms are expected to commit to green based strategies as (1) the cost of materials and energy continue to rise, (2) public pressure continues to increase, (3) there is increasing awareness that subscribing to triple-bottom line practices can increase consumer demand, and (4) consumers' growing antipathy to globalization is leading to strengthening NGO activity relative to green performance (Kleindorfer, Singhal, & Wassenhove, 2005). In addition, while the costs of such efforts can be substantial, improved environmental performance has been linked to greater financial performance, competitiveness, and innovation benefits (Kassinis and Vafeas 2006; King and Lenox 2002; Majumdar and Marcus 2001).

Empirical Issue of the Hotel Industry in Sri Lanka

As per above highlighted theoretical underpinnings as well as tourism industry experts' expectations, green initiatives, which cover a broad range of practices aimed at reducing the negative environmental impacts generated by a firm's products and services, are supposed to make hotels competitive from different perspectives leading to low cost and / or differentiation as well as focus strategy specially targeting European countries. With this hope, Sri Lanka hotels are increasingly adopting it in different ways making green orientation as a mainstream route to competitive advantage and performance. This is made very explicit by the fact that increasing number of green based certification and awards won by local star category hotel during last few years as well. However, certain industry data presented above reveals the following inconsistencies relating to the industry performance of graded hotels in Sri Lanka:

Hotels managers claim that some competitively important green initiatives involve huge cost and investment which make it difficult to recover in the medium term and hence difficulty in achieving competitive advantage and superior performance. Further, this argument is supported by the facts that the average occupancy rate of graded hotels has been 77% for the last few years (Sri Lanka Tourism Development Authority, 2011). Occupancy is a key performance indicator of the performance of the hotel. Insufficient occupancy means hotels running at a cost/ inability to recover overhead expenses. Star category/ graded hotels have faced this destiny. It is also observed that the incapability to be price competitive and adapt packages and prices in far with competitive hotels in the South-Asian region (higher unjustifiable prices even in the off-season) though the industry justifies that this price increases has been mainly due to the rapid increases in cost accommodation in the last year in Sri Lanka. Anyway, industry experts relate that these price increases cannot be justified without adding sufficient value of the offering (Mitthapala, 2012).

With this empirical understanding, it is worthwhile to make the following intellectual query about the graded star category hotels in Sri Lanka. Many star hotels have committed to green based initiatives in varying levels. Some have even implemented green at their hotels at a greater extent with huge investment and been awarded for green initiatives. At the same time, many of hotels do not show signs of sustainable competitive advantage and superior performance on a constant basis. Some of them complain about unsatisfactory level of occupancy level and greater cost in their operations and hence, being less price competitive in the subsidiary establishments in the local market as well as star hotels in the region. However, theoretically as well as practically, green is supposed to make firms competitive and sustainable in performance. This instance presents puzzling situation in the industry that is difficult to answer straightforwardly.

In order to clarify the above anomaly conceptually, some scholars provide theoretically rigorous bases in the literature with special reference to the domains of organizational, capabilities and competitive advantage. Being the highly volatile nature of Sri Lankan tourism industry, the hotels should possess the capacities to develop dynamic capabilities (Teece, Pisano and Shuen, 1997, Wang and Ahmed, 2007 and Hart & Dowell, 2011) which lead to sustain superior performance and competitive advantage by responding to changing needs of customers and stakeholders and adapting hotels' offerings. Hence, organizational capabilities are strategically important to respond to the market demands especially in a dynamic environment. In a highly dynamic environment, strategic management literature

(Sanchez, 1995; Hitt et al., 1998) identifies firm's strategic flexibility as one of important capability to quickly respond and adapt market offerings. In this circumstances, marketing and innovation literature (King & Lenox, 2002 and Hart & Dowell, 2011, Chen, Chan & Wu, 2012) highlight that intrapreneurship as one of the main core organizational processes that help generate the flexibility in firm's strategy in order to generate superior performance and maintain the competitive performance of the firm.

As per this theoretical understanding, the study identifies a valid knowledge gap in relation to green initiatives and competitiveness in the industry. As an approach to elucidate this phenomenon, the present study has limited the scope to investigate the link between the strategic flexibility of green based intrapreneurship and sustained competitive advantage. Thus, in order to address the above *knowledge gap*, this study raises the research problem as to whether strategic flexibility associated with green based intrapreneurship affects superior business performance and sustained competitive advantage of the local tourist hotels.

The Purpose of the Study

In order to address the above research problem, the study presents its major purpose as to identify the present level of strategic flexibility of green based intrapreneurship and green based sustained competitive advantage of the hotels in Sri Lanka and explain the nature of relationship between the concepts.

02. LITERATURE REVIEW, CONCEPTUAL MODEL AND HYPOTHESIS OF THE STUDY

What is Green based Sustained Competitive Advantage?

Competitive advantage can be conceptualized as a superior "marketplace position" that captures the provision of superior customer value and/or the achievement of lower relative costs, which results in market share dominance and superior financial performance (Hunt and Morgan, 1995; Day and Wensley, 1988). Much of the existing research uses superior financial performance or "rent" as an indicator of competitiveness (Aharoni, 1993). Similarly, sustained competitiveness is believed to be simply a competitive advantage that lasts a long period of calendar time (Jacobson, 1988). The present study identifies sustained competitiveness as a situation where an organization reflects more than simply financial performance (Day and Wensley, 1988). It is also achieved when the advantage resists erosion

by competitor or the resources and capabilities underlying a business's competitive advantage that must resist duplication by other firms (Bharadwaj, Varadarajan and Fahy, 1993). Sustained competitiveness can result in superior financial and market advantages and distinctive capabilities (Day and Wensley, 1988). This study defines sustainable competitive advantage as a firm to gain not only superior financial and market performance but also firm distinctive capabilities that competitor are unable to duplicate due to eco-friendly initiatives.

Theoretical developments in the field of the strategic management has focused to explain how firm attain and sustain competitive advantage. The present study adopts the theoretical framework that underlies natural resource based view (Hart, 1995, and Hart & Dowell, 2011) and dynamic capability view of competitive advantage (Teece, Pisano and Shuen, 1997 and Wang and Ahmed, 2007) as this framework justify association among natural environment, firm resources and capabilities for sustainable performance of firm in a dynamic environment.

What are the Competitively Important Green Initiatives for the Hotel Industry?

According to Dief & Font (2012) green and environmental practices can be generally classified into two categories: “organizational or software” and “operational or hardware”. As cited by Dief & Font (2012), organizational practices are relevant to the development and implementation of an environmental management system (EMS); a system that helps companies identify and manage environmental issues and consequences related to their operations in a holistic and consistent way (International Hotel & Restaurant Association [IH&RA], United Nations Environment Programme [UNEP], & EUHOFA, 2001). Dief & Font (2012) report that Organizational practices related to green initiatives refer to the extent to which a company has modified its systems and structures to accommodate an environmental program, which defines an environmental policy, establishes environmental objectives and targets, evaluates the firm’s environmental performance in a regular basis, delegates environmental responsibilities and provides environmental training for employees. In identifying operational factors related to green based initiatives, Dief & Font (2012) cite that that cutting operating costs and minimizing resource consumption is the most convincing strategy to engage hotel management (Ayuso, 2006; Bohdanowicz, 2006; Kasim, 2007; Kirk, 1995; Tzschentke, Kirk, & Lynch, 2004). Dief & Font (2012) recognize that opportunities for cutting operational costs revolve around four areas: water and

wastewater management, energy management, solid waste reduction and management, and green purchasing (IH&RA, UNEP, and EUHOFA, 2001).

As per the above literature and theory of Natural Resource based Theory (Hart 1995 and 2011), green initiatives is argued a way of improving environmental capabilities of the hotels and a route to green based sustainable competitive advantage by sustaining financial and nonfinancial performance of the hotel sector in a dynamic environment.

Green based Intrapreneurship and its associated Strategic Flexibility

Intrapreneurship (entrepreneurship within existing organizations) is an important element in organizational and economic development. Scholars and practitioners have shown interest in the concept since the beginning of the 1980s due to its beneficial effect on revitalization and performance of firms (Guth and Ginsberg 1990; Zahra 1991). Literature views intrapreneurship as a process by which individuals inside organizations pursue opportunities without regard to the resources they currently control (Stevenson and Jarillo 1990), as doing new things and departing from the customary to pursue opportunities (Vesper 1990), and as a spirit of entrepreneurship within the existing organization (Hisrich and Peters 1998). Borrowing from the literature, present study defines green intrapreneurship as entrepreneurship within an existing organization as it relates to eco-friendly products and services. It refers to a green related process that goes on inside an existing firm, regardless of its size, and leads not only to new business ventures but also to other innovative activities and orientations such as development of new eco-friendly products, services, green technologies, administrative techniques, strategies, and competitive postures (Antoncic and Hisrich, 2001).

Based on conceptualizations of ENTRESALE (Knight 1997) and the corporate entrepreneurship scale (Zahra 1993), views of intrapreneurship can be classified into four dimensions: (1) new business venturing, (2) innovativeness, (3) self-renewal, and (4) proactiveness. The study adopts these four dimensions as they relates to organizations' green product-markets.

New green business venturing is the most salient characteristic of green intrapreneurship because it can result in a new business creation within an existing organization (Stopford and Baden-Fuller 1994). In contrast, the green innovativeness dimension refers to green product and service innovation with emphasis on development and innovation in technology. Green intrapreneurship includes new green product development, green product improvements, and new eco-friendly production methods and procedures. The green self-renewal dimension

reflects the transformation of organizations through the renewal of key ideas on which they are built towards eco-friendliness (Guth and Ginsberg 1990; Zahra 1991). Green proactiveness is related to aggressive posturing relative to competitors as it relates to green products and services (Knight 1997).

Strategic flexibility has been increasingly recognized as a critical organizational competency that enables firms to achieve and maintain competitive advantage and superior performance in today's dynamic and competitive business environment (Sanchez, 1995; Hitt et al., 1998). According to dynamic capability view, as lower order organizational capabilities need to be linked with strategic flexibility (a dynamic capability), these lower order organizational capabilities would become higher order capabilities. Hence, green intrapreneurial practices should generate strategic flexibility. Green intrapreneurial flexibility is the extent to which organizational is able to pro-act or responds quickly to a changing competitive environment through green intrapreneurial capabilities. It develops alignment of strategic innovative orientation with innovative behaviors and processes (Cohen and Levinthal, 1990; Wang and Ahmed 2007). Strategic flexibility is widely recognized as a key organizational capability associated with the long-term success of a firm (Sanchez, 1995; Lei et al., 1996; Hitt et al., 1998).

Linkage between Green Intrapreneurial Flexibility and Green based Sustained Competitive Advantage

One important insight generated from research is that sustainable competitive advantage from organizational capabilities may lie in their influence on value-creating, firm-specific and hard-to-copy resources and capabilities (Bharadwaj, 2000; Sambamurthy et al., 2003). In other words, organizational resources and capabilities may enhance a firm's bottom-line performance by supporting its efforts to build and exploit valuable, unique and non-imitable resources and capabilities.

Under dynamic capability perspective, green intrapreneurial flexibility leads firm to develop ability to more creative and new ideas and seeking, forward-looking involving introducing new products or services ahead of the competitor and acting in anticipation of future wants and needs in the marketplace. In addition, firm is brave to take actions such as committing large amounts of resource to operation with uncertain outcomes and willingness to break away from the venture into the unknown (Lumpkin and Dess, 1996). Firm which develops green related intrapreneurial capability may also benefit from the innovative and proactive

efforts toward pioneering the development of new products, process, and services related to energy and water, savings, waste reduction and pollution prevention (Menon and Menon, 1997). Hence, the study argues that strategic flexibility in green based intrapreneurial endeavors of the hotel firms would result in green based sustainable competitive advantage in a highly volatile tourism industry.

Conceptual Model of the Study

The above review of literature paved the way to develop the following conceptualization as shown in the figure:1

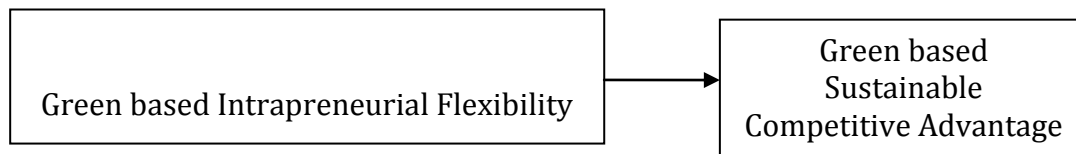


Figure 1. Simple path model, synthesized from literature review

Hypothesis of the Study

The study has developed the following hypothesis based on the literature review undertaken above as depicted in the conceptual model.

Hypothesis: Green Intrapreneurial flexibility of the hotel positively influences green based sustainable competitive advantage

03. METHODOLOGY

Following the positivistic research tradition and the quantitative research approach, survey research strategy was adopted.

Population and Sample of the Study

The population of the study consisted of the 266 local star category and unclassified hotels of Sri Lanka registered with the Sri Lanka Tourism Development Authority. 100 hotels covering different categories of the hotels as it satisfies rules of thumb proposed by Roscoe, 1975

(cited in Sekaran, 2007, p.295). The random sampling techniques were employed in selecting the hotels in each stratum. The response rate was around 60% as some respondents did not return the completed questionnaire.

Operationalization, Reliability and Validity of the Constructs

Green intrapreneurial flexibility scale consisted of a composite measure of four factors adapted from using Antoncic and Hisrich's (2001). Green based sustained competitive advantage was measured using a composite measure by adapting 13 items developed by Day and Wensley (1988), which consists of namely financial performance, market place position and inimitability of firm's green strategy and distinctive green capabilities. Self-Administrative Questionnaires consisting of five-point Likert scales were used to collect the predetermined data. As depicted in the table:1, Cronbach's alpha was calculated to measure the reliability / internal consistency of the measurement scales. If the value is ≥ 0.7 , the scales were sufficiently reliable (Nunnally, 1967). The face / content validity of the scales was assured through experts' reviews and literature survey. In order to test the dimensionality of the measurement constructs, an exploratory factor analysis was performed by following the procedure recommended by Churchill (1979).

Table 1:

Reliability Analysis

Variable	No. of Items	Cronbach's Alpha
Green intrapreneurial flexibility	14	0.78
Green based sustained competitive advantage	13	0.70

Data Analysis Strategy

Data analysis strategy in the study consisted of both descriptive statistical analysis and inferential statistical analysis. The hypothesis test was carried out using multiple linear regression analysis. The Statistical Package for Social Sciences (**SPSS^R**) version 17.0 was used for data analysis.

04. RESULTS AND DISCUSSION

A descriptive analysis based on mean values were carried out. The results revealed the following as depicted in the table 2:

Table 2:

Descriptive Analysis

Variable	Mean	Standard Deviation
Overall Green Intrapreneurial Flexibility	4.07	0.51
- Green based new business ventures	3.76	0.56
- Green innovation	4.08	0.44
- Green self-renewal	4.26	0.24
- Green proactiveness	4.16	0.62
Green based Sustained competitive advantage	4.16	0.48

Source: Survey Data

The overall mean value of 4.7 for the green intrapreneurial flexibility implies that hotels have strategic flexibility from green initiatives to a sufficient level. However, the mean analysis of the sub scales of green intrapreneurial flexibility highlights that the hotels in the sample have less flexibility in green based new business ventures (3.76 on a Five point Likert scale) whilst they have satisfactory level of flexibility in the areas of green innovation, green self-renewal and green proactivity (respectively 4.08, 4.26 and 4.16 on five point Likert scale). The mean value for the green based sustained competitive advantage is 4.16 (on a five point Likert scale) which describes that the average hotel in the sample enjoy green based sustained competitive advantage to a considerable extent.

In testing the hypothesis depicted the conceptual model, the linear regression analysis revealed the following results as shown in the table: 3.

Table 3:***Linear Regression Results***

Green based sustainable competitive advantage		
Independent Variable	β	"P" value
Green intrapreneurial flexibility	0.31	0.01
Adjusted R ²	0.36	

*Dependent variable is green based sustainable competitive advantage

Source: Survey Data

According to the above analysis, hypothesized claim is accepted and there is significant evidence (at significance level of 0.05) to conclude that the green intrapreneurial flexibility positively influences the green based sustained competitive advantage of the hotels in Sri Lanka. This reveals that green intrapreneurial flexibility in overall positively affects green based sustained competitiveness of the hotels. The regression coefficient ($\beta=0.31$) confirms that hotel's green intrapreneurial flexibility are positively related green based financial performance, market place position and inimitability of distinctive capabilities. This implies that the hotel's green strategy flexibility resulting from intrapreneurial perspective can be a predictor of green based sustained competitive advantage in the Sri Lankan hotel industry. These findings, in overall, can be validated as these are consistent with the argument of the general literature related to dynamic capabilities, strategic flexibility and intrapreneurship (Bharadwaj, 2000; Sambamurthy et al., 2003).

05. CONCLUSION

The findings empirically support that these hotels have undertaken green initiatives which reflect intrapreneurial capabilities and their associated strategic flexibilities in order to quickly respond to the green market demands in the hotel industry in Sri Lanka. These have paved the way forward to improve green based financial performance, inimitability of green based capabilities and competitive position of the hotels. In the regression model predicting sustained competitive advantage, the goodness of fit is predicted using R² which is 0.36. This implies that green intrapreneurial flexibility can predict only 36% of the total change of

green based sustained competitive advantage whilst there are other important factors that predict green based sustained competitive advantage of the industry.

In final analysis, developing green market based capabilities from an intrapreneurial perspective is a prerequisite to implement the resource- productivity model and acquire sustained competitive advantage in green based product markets (Johannessen and Olsen, 2003) of the hotel sector in Sri Lanka.

06. MANAGERIAL AND THEORETICAL IMPLICATIONS

These findings have managerial implications for Sri Lankan hoteliers. They can adopt green initiatives and implement them to win the long run competitive advantage by focusing on intrapreneurial competencies such as creating new business ventures linked to green / eco-friendly alternatives, eco- friendly innovations at hotels, renewing current skills and technologies related to environmental management of hotels as well as introducing more proactive measures to deal with environmental standards, regulations and stakeholders pressures. There are implications that mere adoption of green based intrapreneurial pitfalls are not sufficient for winning and sustaining green based competitive advantage in a highly volatile tourism industry but it requires linking intrapreneurial capabilities to create flexibility by introducing and modifying its systems and structures to accommodate an environmental program, covering environmental policy, establishes environmental objectives and targets, evaluates the firm's environmental performance in a regular basis, delegates environmental responsibilities and provides environmental training for employees.

In addition to the organizational level flexibilities, the hotel managers should focus on operational factors related to green based initiatives that cut operating costs and minimize resource consumption. In this respect, the hotel managers can revisit main areas causing operational costs, that is, water and wastewater management, energy management, solid waste reduction and management, and green purchasing. Around these operational areas, the needed flexibilities and competencies can be generated as they are important for developing creative and innovative green initiatives for low cost advantage, financial performance and inimitability of distinctive capabilities at the individual hotel level. However, in order to accomplish these targets, the hotel management could develop broader policy framework that guide identification of environmental issues and linking them to the hotels overall value creating activities. It requires hotels have to develop their own unique balanced score cards

containing environmental parameters and key performance indicators that shows resource - productivity link.

Further, the present study theoretically contribute to the existing body of literature as it explains the linkage of green based intrapreneurial practices and sustainable competitive advantage in the light of green initiatives. I.e. the study links green based initiatives in the Sri Lankan hotel industry to the theory of sustainable competitive advantage by applying intrapreneurial flexibility as a distinctive capability in a highly dynamic market. It adds novelty to environmental management and marketing literature as the study provides a perspective to the hotel managers to plan and implement innovation-based, productivity-enhancing solutions including beneficial product and service design, packaging, raw material, or process changes as per the argument proposed by Porter and van der Linde (1995).

07. FUTURE RESEARCH OPPORTUNITIES

Future studies should explore additional factors other than green intrapreneurial flexibility that influence green based sustained competitive advantage of hotels in an emerging market like Sri Lanka. R^2 value of the regression model 1 ($R^2 = 0.36$) implies this possibility to explore other unique factors such as green based supply chain practices, and other types of green market relating dynamic capabilities leading to green based sustained competitiveness in Sri Lankan context for future research. It is also need to identify hotel's reputation, star category, global network, main countries of tourists' arrival, size, and years of experience as controlling variables of green based sustained competitive advantage. Further, it is important to identify competitive intensity, market turbulences, technological, regulatory and stakeholder pressure as moderators to the relationship between green intrapreneurial flexibility and green based sustained competitiveness advantage in the conceptual model so as to make the findings more conclusive and robust.

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APPENDIX

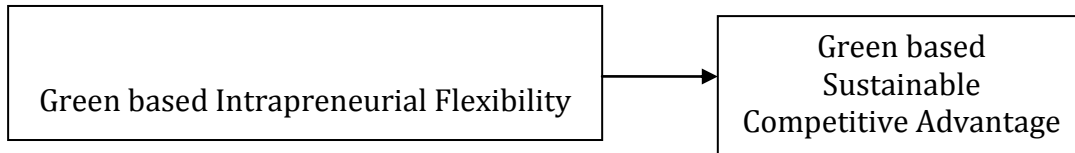


Figure 1. Simple path model, synthesized from literature review

[14]

PURCHASE INTENTION ON STREET VENDORS' LOCALLY-MADE SOUVENIRS IN MELAKA AND PENANG: THE UNESCO TOURISTS SITES

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Abstract

This paper aims to assess four constructs dimensionality to develop a model for international tourists' purchase intention on locally-made souvenirs sold by street vendors. The data were collected at the vicinity of Melaka and Penang' UNESCO classified tourists' sites and analysed using SMART's partial least square (PLS). This analysis is useful for validating exploratory model. The participants were international tourists (N = 228) from various continents. This paper presents the study 1 of the model development in which 18 items were developed from previous souvenirs and marketing literatures for the variables. 9 items remained after deleting the items with factor loadings less than 0.7. The model has R² value of 0.3039 for purchase intention, indicating 30.39% of the variance was explained by the product, price, and place. The model fulfilled all the requirements for convergent and discriminant validities, and cross-loading between items for each variable except the poor Cronbach's alpha values of 0.553 for price and place. This was mainly due to the number of items that remained in the constructs. However, past studies indicated an increase of items will inflate the alpha value and the coefficient alphas of 0.5 to 0.6 are considered a minimum acceptable value range for a preliminary study. In future study 2, we propose to conduct qualitative interviews on international tourists to strengthen the variables' items before conducting a test-retest of the model.

Keywords: *street vendors, partial least square, product, price, place, purchase intention*

01. INTRODUCTION

In Southeast Asia countries, commonly can be noticed are street vendors selling different types of products at the urban streets. Most are operating illegally without licences from the municipal authority. To some locals, their presence in the urban streets is seen as 'out of place' unwanted element (Yatmo, 2008). Others do not complain as long as the traffic flow or walkway is not obstructed. In any case, this informal economy has contributed indirectly to employment for urban poor (Walsh, 2010b; Saha, 2011) and encourages low income group entrepreneurship (Lincoln, 2008).

Past studies on street vendors like Saha (2011) review on the role of the collective bargaining process among them in Mumbai, India; Yatmo (2008) proposed urban design and planning in dealing with vendors' presence; (Walsh, 2010a, 2010b) study on general street vendors' activities in Bangkok and Vietnam respectively; Chai et al., (2011) research on urban management of street vendors, and among others. However, the study on street vendor's selling of souvenirs to tourists is relative few (Cukier & Wall, 1994; Timothy & Wall, 1997; Swanson & Timothy, 2012). Like any other frontline merchants, these vendors in developing countries play a significant role in selling souvenirs directly to tourists.

Compare to merchandise retailers, duty-free shops, gift shops, and other retailers with fixed outlets, we are unsure of, 'How sellable are vendors' souvenirs to tourists?' In marketing perspective, street vending business is viewed as vendors-as-sellers and tourists-as-buyers. Studies on vendors selling non souvenir items are well-investigated (Walsh, 2010a, 2010b). This includes tourists' purchase intentions of souvenirs in other fixed retail shops (Thang & Tan 2003; Swanson & Horridge, 2006). Nonetheless, tourists' intentions to purchase souvenirs from street vendors are unknown, especially at the vicinity of tourists' sites. A study of street vending souvenir business in UNESCO approved heritage sites in Melaka and Penang will provide an insightful of product purchase-selling fit.

For these reasons, the concept of the marketing mix of 4 Ps (product, price, place, and promotion) decision model developed by McCarthy (1960) was used to develop the buyer's dimensions. According to Dobscha and Foxman, (1998) and Guido *et al.*, (2011), the 4 Ps stress on consumer's purchasing phase that rely on interdependence decision parameters influencing purchase intention. If tourists are satisfied with the product pricing, transaction ensues (Schwartz, 2000). In this study, we exclude promotion as it is not applicable in street

vending as promotion in 4 Ps contexts consists of sales promotion, advertising, and sale forces. In the context of place, we relate it to the location where street vendors sell their souvenirs (Kotler & Keller, 2009, p. 63). Hence, in this initial study, we aim to assess four constructs dimensionality to develop a model for international tourists' purchase intention on locally-made souvenirs sold by street vendors.

This paper presented has five main sections. First, review of past literatures on 3 Ps leading to the development of the hypotheses. The second and third sections consist of research methods and findings. Next, the findings are discussed. Finally, the study is concluded.

02. LITERATURE REVIEW

Souvenir product

Products sold as souvenir by street vendors have reasonably good product mix that attracts tourist customers. They range in different assortment and quality but are mainly curios (Swanson & Horridge, 2006). Largely, tourists have no problem spending money on quality and attractive souvenirs (Goeldner *et al.*, 2000). In most cases, souvenir products sold by street vendors are mass-manufactured. It has no country of origin. Some were imported from Hong Kong, Indonesia, China, Thailand, and other Asian countries. Some tourists in favour of locally-made souvenirs may shun these product lines due to its origin.

However, some tourists are not overly concern on the origination of the products as long as it attracts them. Others are eyeing for quality and authentic locally-made souvenir products, which are hard to find in street vendors' stalls. Tourists interested in these souvenirs expect they are crafted locally or at least made from indigenous materials (Gordon, 1986). Wilkins' (2010) study found most tourists preferred regional souvenirs than general items. This could be one weakness of street vendors' goods. Nevertheless, local souvenirs purchased by tourists can be cues to recall 'I have been there' (van Den Hoven & Eggen, 2005), and serve as acceptable gifts for friends (Kim & Littrell, 2001). Knowing there is a demand, most sellers are trying to promote locally-made souvenirs, and we posited that:

Hypothesis 1(H1): Locally-made souvenir products sold by street vendors positively influence tourists purchase intention.

Souvenir price

Price is one of the main components motivating customers' patronising an outlet and satisfying tourist's souvenir purchase (Timothy, 2005). In Malaysia, rarely does one find tourist customers pay for souvenirs with fixed prices. Tourists delighted in bargaining will enjoy imploring for discounted price. Further, when there is a high concentration of vendors at a site, souvenirs' prices remain competitive. Mostly, street vendors' souvenirs are inexpensive curios and price may not be the purchasing barrier. Rather, the key concerns of tourists shopping for souvenir in a country are the quality and choice range (Asplet & Cooper, 2000). However, in some cases, some vendors can supply souvenirs that are value for money relative to indoor retailers (Walsh^a, 2010). We believe that tourists interested for value souvenirs will purchase from vendors, and we hypothesise that:

Hypothesis 2 (H2): Price of locally-made souvenir products sold by street vendors positively influence tourists purchase intention.

Souvenir place

Souvenir street vendors do not have permanent outlets for displaying their products. In Malaysia, a typical vendor regularly positions the stall with large display counter under umbrellas, tents or tree shades. The counters are set up and dismantle when in business and are less appealing than permanent indoor stores. The advantages of these stalls are its mobility and are regularly positioned at the vicinity of the tourists' sites or within the reach of many tourists; the principal competitive advantage for customers' convenience through location (Walsh, 2010). Consequently, tourists lacking transportation will take advantage of shopping at tourists' sites (Swanson & Horridge 2004).

Nonetheless, some tourist customers are selective to where they shop (Kim *et al.* 2010). Personal attributes, cultural background, and social conditioning influence the locations where people shop (Kim *et al.* 2010). Others are attracted by store attributes and appealing environment (Kristen & Horridge, 2004). Nevertheless, little is known about tourists' shopping intention on street vendors' stalls located at tourists' sites but we expect the closeness leverage purchase intention, and we hypothesise that:

Hypothesis 3 (H3): Location of street vendors at tourists' sites selling locally-made souvenir products positively influence tourists purchase intention.

Purchase intention of locally-made souvenirs

Tourists visiting a country often purchase tangible souvenirs on their return. Whether it is for personal use, keepsakes, memories, gift giving, assisting friends to purchase, and other reasons, such activities provide substantial economic contribution to a nation's revenue -- provided they are locally produced (Timothy, 2005). In addition, the perceptions of tourists toward the stores may differ (Swanson & Horridge, 2006). Incomparable are street vendor outlets to retail stores' attributes and appearance that are likely to attract more tourists (Thang & Tan 2003), but for many tourists who are unfamiliar with the place to shop for souvenirs, vendors' stalls offer proximity advantage and convenience at sites influencing purchase intentions.

Furthermore, when vendors' stalls have a good product mix it entices large segments of tourists. Swanson (2004) classified tourists as one-time or seasonal customers. Understandably, vendor's business is difficult to define its target market. A typical vendor may display various products ranging from cheap postcards to women's accessories, such as, earrings, bracelets, necklaces, toys, local crafts, and others. Still, such product assortment may capture larger tourists' segments. Perhaps the low costs of the products allow such varieties for tourists' choice.

03. RESEARCH METHOD

Quantitative analysis

The authors developed the questionnaire by critically reviewing and cross-referencing to the marketing 4Ps with tourists and travels literatures. There were few brainstorming sessions among the authors to derive the item statements, with no intention to adapt any established statements as most are not related to street vending. However, McCarthy's (1960) 4Ps concept was adapted to conceptualise the model. The questionnaire comprised of two parts. Part A consisted of 10 questions relating to tourists' demographic information. In Part B, the product, price, and location formed the exogenous variables and the tourists' purchase intention as an endogenous variable. Each variable has 4 items, totalling 16 items in the

questionnaire. Tourists' purchase intention on vendors' souvenir was established by using a five-point Likert scale (1=Strongly disagree to 5= Strongly agree). Table 2 contains the questionnaire.

Sample and Data

In this study, we specifically chose Melaka and Penang because these cities' tourists' sites were listed by UNESCO World Heritage. Organising in two groups of RAs, the questionnaires were distributed by hands at the proximity of the UNESCO defined sites. This would ensure a homogeneous international tourists sample to be collected on the sites. The judgmental sampling was used in this exploratory study. In this sampling technique, it allows the researchers to select tourists that are difficult to reach and a homogenous group of smaller sample size to be collected (Neuman, 2006 p. 222; Graziano&Raulin, 2007, p. 327). A total of 237tourists participated in this survey, out of which 9 were discarded due to either incomplete responses or neutral answers, leaving 228 valid data (96.2%) for analysis. Each tourist was given a pen as souvenir from the university.

Data analysis

The valid data werefirst analysed using IBM statistical package for social science (SPSS), version 20software to compute the descriptive statistics. In analysing the conceptual model, we used Ringle's *et al.*, (2005) SMART PLS (Partial Least Square) software application.

04. RESULTS

Descriptive results

Table 1 depicts the descriptive statistics results from the tourists' responses. Of the 228 tourists, 114were female (50.0 %) and 114were male (50.0%). The data collected in Melaka was, 124 (54.4%) and Penang, 104 (45.6%). When asked whether was it their first visit to Malaysia, 188 (82.5%) tourists indicated, 'Yes', and 40 (17.5%) said, 'No'. The largest group for age was 20 – 30 (49.1%). Most of the tourists (178; 78.1%) travel to Malaysia for the purpose of pleasure. European tourists formed the largest tourists group participated in the survey with 159 (69.7%) and the lowest was South America, 1 (0.4%). The main reason for

purchase of souvenir was gift giving, 174 (76.3%) followed by for own use with 163 (71.5%).

Conceptual model validation and cross loading test

The four variables consisted of 18 items. After deleting the items with factor loadings less than 0.7, 9 items were valid for analysis. Table 2 illustrates the items' means, standard deviations, and t-values. Each variable has average variance extracted (AVE) greater than 0.5, indicating model convergent validity (Völckner *et al.*, 2010). The Cronbach's alpha values were between 0.553 to 0.767 after deleting those non-significant items with low loading and the composite reliability range from 0.81 to 0.89 (Völckner *et al.*, 2010). The alpha value of > 0.5 is considered as poor for price and place, but this was due to the number of items used. Generally, an increase of items will inflate the alpha value (Gliem & Gliem, 2003). However, the coefficient alpha of 0.5 to 0.6 is considered a minimum acceptable value range for a preliminary study (Nunnally, 1978; Abdul-Halim & Che-Ha, 2009). Furthermore, a cross loading test between items for each variable indicated no cross loading effect and each item was greater than 0.7. To ensure discriminant validity, the model's AVEs must be greater than the correlation between variable and in this case, the data fulfilled the criteria (Fornell & Larcker, 1981). Overall, the R^2 value for purchase intention is 0.3039, indicating that 30.39% of the variance is explained by the independent variables.

Cross loading and hypotheses testing

The final data indicated there was no cross loadings between items with each variable values greater than 0.7 (Gaskin, 2012). Finally, to evaluate the hypotheses, the data were computed by nonparametric bootstrapping using 500 subsamples and 228 cases. The results for the conceptual model path coefficients β value between products (PD) variable to purchase intention (PI) was 0.288, price (PR) to PI, 0.227, and place (PL) to PI, 0.197. All the path coefficients have t-values greater than 1.96, indicating the significant p value is less than 0.05. This means the hypothesis H1 for path PD to PI, H2 for path PR to PI, and H3 for path PL to PI were all supported (see Table 3).

05. DISCUSSION

In this Study 1, we aim to assess four constructs dimensionality for international tourists' purchase intention on locally-made souvenirs. The sellers are street vendors who are sole proprietors that offer souvenirs to tourists at the proximity of the tourists' sites. The model's constructs were derived from the marketing concept of 4Ps. The findings are discussed as follow.

Discussion on findings

Based on the analysed data, the tourists in Melaka and Penang were here mainly for pleasure or vacation and largely from Europe countries. They have the intention to purchase souvenirs from street vendors for gift giving and/or own use, with no intention for reselling. The findings are consistent with Clarke's (2008) study. Additionally, the acceptance of hypothesis H1 indicates that tourists' purchase intentions are influenced by the availability of locally-made souvenirs with reasonable quality. For hypothesis H2, tourists' intentions to purchase the locally-made souvenirs provided they are reasonably priced and value for money. This implies that cheap and low quality souvenirs not necessary will attract travellers. Likewise, tourists will avoid expensive but low quality souvenirs. As such, product and price are interdependence factors influencing purchase intentions (Dobscha & Foxman, 1998; Schwartz, 2000; Guido *et al.*, 2011).

Lastly for H3, the presence of vendors in high pedestrian area or near tourists' area will influence tourists' purchase intention. Vendors' stalls provide the convenience for tourists to shop. Customarily, whether consumers are shopping in retail outlets or vendors' stalls, these three factors are associated with purchase intention (Kim & Littrell, 1999).

Discussion on weaknesses constructs' items

In the process of the conceptual model validation and cross loading testing, an item with low communality factor of less than 0.7 is deleted. Below, the deletions of the item statements are discussed. It provides insights to better design for future study.

Product (3 items deleted) – Three items were deleted from the construct. The weakness of items, 'I would purchase souvenirs that I like. The souvenirs' country of origin is not a concern to me', and 'I would not purchase any souvenir that looks similar to other South-east Asian countries made' seems similar. Another item, 'I would look for souvenirs that represent

the tourists' sites' was deleted could imply tourists preferred wider categories of souvenirs choice.

Price (3 items deleted) – Interestingly, the deletion of item, 'I enjoy bargaining with the street vendors for lower price', implies that this purchasing activity is no longer a trend. Tourists preferred fixed price products. The items, 'The price of locally-made souvenirs sold by street vendors are usually more expensive than imported ones', and 'I am willing to pay for the locally-made souvenirs sold by the street vendors as long as it is value for money', suggests that these statements are repetitive to those factored items.

Place (1 item deleted) –In this item, 'I would shop for my souvenirs in a location where the street vendors are accessible. (For e.g. The chartered tour bus that drops you at a location for souvenir shopping)' we suspect the deletion was because of the example given was not valid to most tourists.

Purchase intention (2 items deleted) – The deletion of item, 'The availability of unique souvenirs sourced from foreign countries at the street vendors' stores will influence my purchase intention,' suggests that these tourists preferred locally-made souvenirs. Lastly, the item, 'The availability of sale prices at the street vendors' stores will influence my purchase intention', implies tourists understand that most of these souvenirs are inexpensive products and with the lopsided currency exchange rate (Euro, USD, and English Pounds versus Malaysia Ringgit), it will not affect them much.

Limitations and directions for future studies

The data collected were limited to tourists in Melaka and Penang at the UNESCO World Heritage Sites, and their perceptions sought. This means that not all tourists who participated in this survey were street vendor's souvenirs enthusiasts. Further, due to time constraint we did not cluster the tourists for sampling. For example, tourists who came by themselves or packaged tours, backpackers, and others were not categorised and sampled. Rather, we merely grouped them as tourists in general. As such, this could be one reason resulted in deletion of some items in the questionnaires. By clustering them, we expect different groups' perceptions.

This leads us to the direction of Study 2 where the model's dimensions are reinforced by conducting qualitative interviews on tourists who are interested in purchasing street vendors' goods. The aim is to identify other relevant or related constructs, validating existing item statements, and add-on new item statements to the present constructs. In Study 3, a quantitative survey will be conducted from the same cities tourists' sites on the new dimensions derived from Study 2. The aim is to test-retest the data to validate Study 1 and 2's dimensions and the model.

06. CONCLUSION

This study is believed to be different from other street vending research as it relates to selling locally-made souvenirs at the UNESCO World Heritage sites. Anecdotal observations at the local tourists' sites are local and international tourists interested in street vendors' souvenirs. However, we were unsure how sellable are these souvenirs and what attract tourists to "shop" at these stalls. As such, the perceptions of international tourists' purchase intention were sought and the findings in Study 1, although inconclusive, do reveal three key predictors of product, price, and place on purchase intention; indicated by R^2 value of 30.39%. Thus, these factors will be reused in our quantitative survey for repeatability test at the same sites.

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Figure 1 – Product, Price, Place, and Purchase Intention of locally-made product as souvenirs

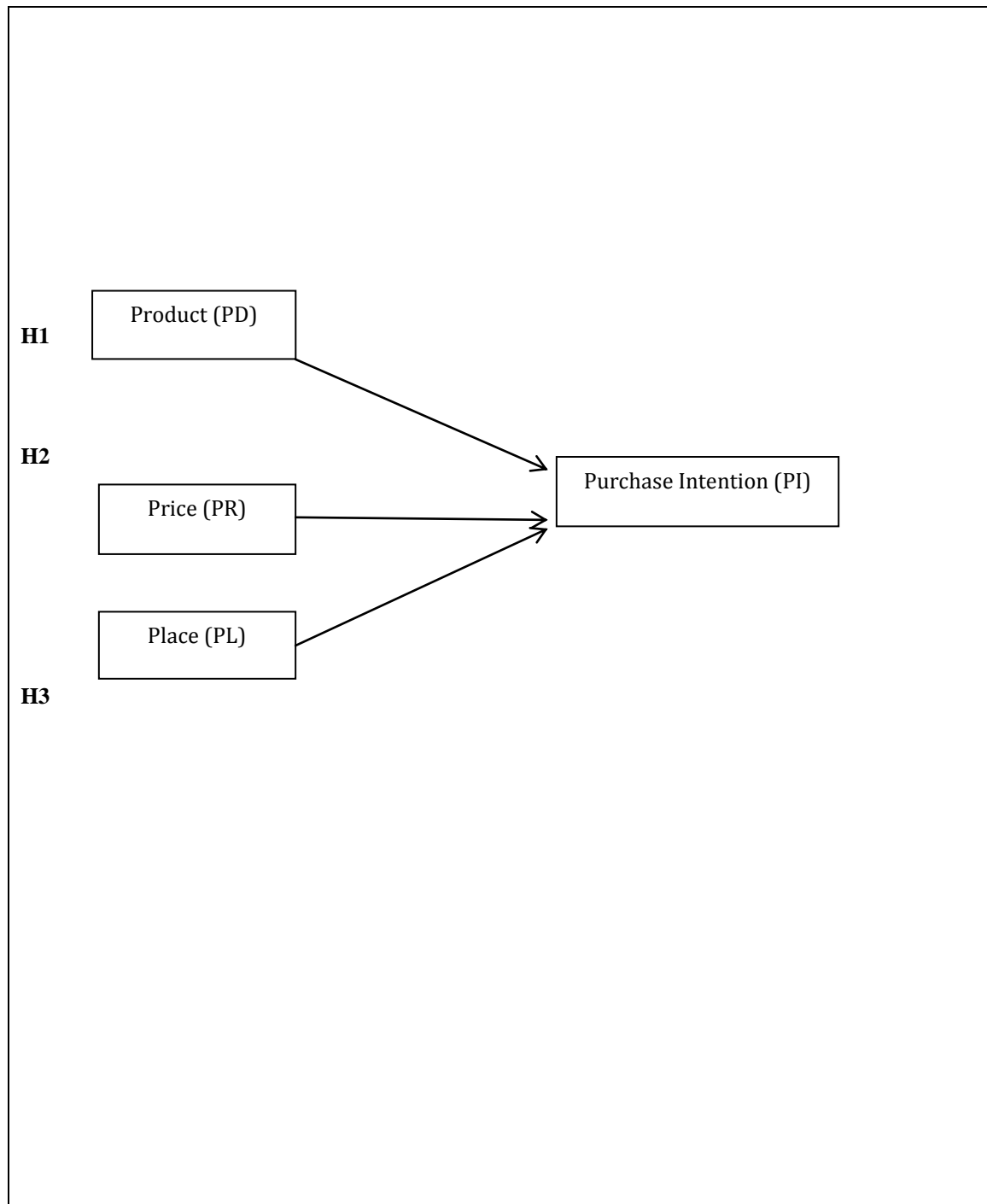


Table 1 – Descriptive statistics results

Demographic profile					
<i>Gender</i>			<i>Marital status</i>		
	<i>Frequency</i>	<i>%</i>		<i>Frequency</i>	<i>%</i>
Male	114	50	Married	101	44.3
Female	114	50	Single	115	50.4
			Separated	5	2.2
State			Widowed	1	4
Melaka	124	54.4	Divorced	6	2.6
Penang	104	45.6			
<i>Is this your first visit to Malaysia?</i>			<i>Tourists' Nationality by Countries by Continents</i>		
Yes	188	82.5	Europe	159	69.7
No	40	17.5	Asia	16	7.0
			Oceania	35	15.4
Purpose of visit			North America	17	7.5
Pleasure	178	78.1	South America	1	0.4
Relaxation	17	7.5			
Visiting	6	2.6	<i>Reasons for purchase of souvenirs</i>		
Business	6	2.6		No (%)	Yes (%)
Others	21	9.2	Gift giving	54 (23.7)	174 (76.3)
			Own use	65 (28.5)	163 (71.5)
Age group			Assisting others	223 (97.8)	5 (2.2)
20 – 30	112	49.1	Conscious	208 (91.2)	20 (8.8)
31 – 40	60	26.3	Resale	228 (100)	0
41 – 50	21	9.2	Other purpose	223 (97.8)	5 (2.2)
Above 50	35	15.4			
<i>Types of souvenirs to purchase</i>					
<i>Employment</i>				No (%)	Yes (%)
Employed	151	66.2	Photos, paintings, postcard	115 (50.4)	113 (49.6)
Unemployed	47	20.6	Caps, hats, clothing	183 (80.3)	45 (19.7)
Self-employed	16	7.0	Small accessories	164 (71.9)	64 (28.1)
Retired	14	6.1	Carving, jewellery, glassware	137 (60.1)	91 (39.9)
			Others	214 (93.9)	14 (6.1)

Table 2: Conceptual Model of Tourists Purchase Intention of Street Vendors Souvenirs			
Product	Mean	SD	Est (t-values)
I would be interested in souvenirs that are locally made	0.625	0.0479	12.9635
I would look for souvenirs with reasonable quality	0.4839	0.0401	12.184
AVE = 0.8091; Composite Reliability = 0.8944; Cronbach's Alpha = 0.7671			
Price			
The street vendors' souvenirs are often reasonably priced.	0.5416	0.0676	8.0365
I am willing to pay for the locally-made souvenirs sold by the street vendors as long as it is value for money.	0.6564	0.064	10.2701
AVE = 0.6897; Composite Reliability = 0.8161; Cronbach's Alpha = 0.5533; R Square = 0			
Place			
I would shop for my souvenirs in a location where the street vendors are selling their souvenirs at a high pedestrian area.	0.6637	0.081	8.1411
I would shop for my souvenirs in a location where the street vendors sold their souvenirs in or near tourists' area.	0.5284	0.0922	5.8379
AVE = 0.6921; Composite Reliability = 0.8178; Cronbach's Alpha = 0.5588; R Square = 0			
Purchase Intention			
The availability of assortment souvenirs sold by the street vendors will influence my purchase intention.	0.3228	0.3203	6.7156
The availability of locally-made souvenirs sold by the street vendors will influence my purchase intention.	0.458	0.4604	12.977
The availability of attractive souvenirs displayed at the street vendors' stores will influence my purchase intention.	0.4256	0.4262	12.4258
AVE = 0.6767; Composite Reliability = 0.8620; Cronbach's Alpha = 0.7612; R Square = 0.3039			

Table 3 – Cross loading test, discriminant validity and path coefficients

Cross loading test				
	Intention	Place	Price	Product
PD2	0.4678	0.2569	0.5206	0.9241
PD3	0.3681	0.2681	0.469	0.8742
PI1	0.7412	0.3451	0.2736	0.2369
PI2	0.8838	0.2708	0.4007	0.4763
PI3	0.8365	0.2619	0.4025	0.4118
PL1	0.3157	0.8682	0.3056	0.3329
PL2	0.2577	0.794	0.1701	0.1312
PR1	0.3311	0.2956	0.7945	0.4021
PR5	0.4006	0.2016	0.8649	0.5075

Discriminant Validity				
Intention	0.823			
Place	0.3469	0.832		
Price	0.4431	0.2931	0.830	
Product	0.4699	0.2902	0.5519	0.899

Note: The diagonal bold values are square root of AVE and must be higher than the off-diagonal values of the latent variables correlations.

Path coefficients					
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (O/STERR)
Product -> Intention	0.2876	0.2887	0.0774	0.0774	3.7182 (s)
Price -> Intention	0.2266	0.229	0.0778	0.0778	2.9124 (s)
Place -> Intention	0.1970	0.1963	0.0754	0.0754	2.6125 (s)

Note: s – Significant. The significant t-value must be greater than 1.96 for 5%

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[15]

ON THE PROTECTION STRATEGY OF FOLK CULTURE, A CASE STUDY OF DALI

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Abstract

With economic and social developments, ethnic culture related tourism has become the pillar industry and the new points of economic growth of Yunnan Province. Yet with tourism upsurge ethnic cultures that are being encroached upon are facing more challenges. This paper as a case study, with a delicate description the current status of folk culture protection in Dali, attempts to figure out some effective strategies and methods regarding protection of the ethnic cultures of Dali in the following aspects: developing, saving, supporting, enriching and prospering folk culture of Dali while in the process of tourism development.

Keywords: *Protection Folk culture Challenge Strategy Tourism development*

01. INTRODUCTION

Yunnan boasts the largest diversity of ethnic groups in China. By virtue of its splendid folk customs, Yunnan has developed rich and varied ethnic culture tourism projects, which contribute a lot to the economic development of minority areas and the improvement of the locals' living standards. However, as tourists flocking in, local ethnic cultures are threatened in existence, facing the fate of going withering. Therefore, saving and protecting the folk cultures has been an urgent task which brooks no delay.

When folk cultures are put on the stage, they're commercialized in some cases. In the tourism development, to obtain the immediate economic benefits, and cater to the curiosity of tourists, some authentic folk customs and dances in many places have gone bad under the drive of pure commercial benefits. As a result, the ethnic cultures are showed to tourists as a kind of commodity.

Poor dissimilation is a serious problem faced by ethnic cultures. With the development of tourism, the minorities in tourism areas, which have been isolated for long due to geographical conditions, start to, consciously or unconsciously, accept the culture brought by tourists. Due to lack of critical judgment, they indiscriminately get close to the sudden superior material progress and different cultures, making the traditional ethnic cultures gradually changed. Following the rapid development of modernization, the traditional cultures have been disappearing seriously.

Taking Dali as a case study, this paper analyzes the Bai folk culture background and folk tourism resources of Dali, a historically and culturally famous city, and the necessity and significance to protect the Bai culture, and hence puts forward the strategies and suggestions of developing the folk culture tourism of Dali and protecting the folk culture.

02. BODY

Protection and inheritance of the heritages of Dali Bai ethnic group

Dali Ancient City is a paradise where multi-cultures and the nature coexist harmoniously and flourishingly. It is a city full of youthful vigor through the ages and also a historically and culturally famous city with a high comprehensive value of ethnic cultures and overall value of architectural art. As the carrier and symbol of the material and spiritual civilization created by Bai ancestors, it is also one of the few well-preserved ancient cities of ethnic groups. Dali,

which lies on the northwest fringe of the Yunnan-Guizhou Plateau, has been a famous tourist resort since ancient times. At the end of the 13th century, Marco Polo from Venice, Italy ever went to Dali during his mystic travel in Eurasia. He described the landscape, products and folk customs here in two chapters in the *Travels of Marco Polo*, known as the “World’s Greatest Masterpiece”. Xu Xiake, a famous traveler in China, traveled almost half of China. He stayed in Dali for half a year, and wrote many travel dairies about Dali which account for one sixth of the whole *Xu Xiake's Travels*. Dali enjoys rich tourism resources and has over 130 tourist attractions, among which, the magnificent and beautiful Cangshan Mountain is famous both at home and abroad for its four scenes - wind, flowers, snow and moon. Dali is also the home of other fabulous natural tourism resources, including the towering and majestic Three Pagodas of Chongsheng Temple, charming Butterfly Spring, the solemn Jizu Mountain, a Buddhist holy land in Southeast Asia, and the time-honored grotto sculptures of the Tang Dynasty in the Shibao Mountain of Jianchuan County. In addition, Dali boasts unique cultural tourism resources including the wonderful and varied Bai folk customs and the profound and time-honored Bai culture. All of these make Dali win the reputation of “Plateau Pearl” and attract tens of thousands of domestic and foreign visitors and businessmen.

The natural and cultural heritages of Bai ethnic group serve as the base for the sustainable development of local economy and culture and also provide a guarantee for Bai people’s living standards and quality, thus the protection and inheritance of Bai heritages is of great importance. However, with the economic development, to protect the natural ecology and cultural heritages of Bai has become an urgent issue to be solved.

On the one hand, in the context of globalization, the Bai cultural heritage, as a disadvantaged heritage, is in a waning process. Especially the intangible cultural heritages like the Bai folk arts, which have been passed on from generation to generation, are facing extinction. The unique traditional cultural customs of Bai are going withering, which is the most serious crisis faced in the sustainable development of the folk tourism of Dali. The tide of the modern commodity economy is a double-edged sword for Dali’s folk tourism. On one side, it impels people to renew their ideas and develop the tourism market according to the rule of commodity economy; on the other side, under the rapid impact of the modern civilization, the traditional Bai culture, as a folk tourism resource, is facing the recession and changes. In today’s Dali, the clothes of Bai men have basically been Chinesizing. Even in

holidays and festivals, it is still hard to find Bai young men wearing their ethnic costumes. Also, Dali is renowned as “hometown of songs and dances”. But now, in Bai villages, only middle aged and elderly people and a few young people can sing Bai songs and dance traditional Bai dances, and even fewer people can extemporaneously sing in the antiphonal style. The recession of ethnic culture is closely related to the lack of its successors. Under the impact of modern ideas and lifestyles, the young generation is decreasingly interested in Bai culture, and many precious traditional folk handwork skills are in the danger of disappearing. If no measures are taken to protect and inherit the traditional culture of Bai ethnic group, the cultural wonders of Dali will peter out with the increasingly intensified culture change.

On the other hand, under the influence of postmodernism, the governments at all levels have attached more and more attention to the protection and inheritance of the rich traditional Bai culture. With the powerful supports of government, some Bai heritages have been protected effectively. However, not all Bai heritages are so lucky as the country’s economic power is limited. For example, the stealing of “old-fashioned antique” left by the ancestors often happens. One of the most important reasons is that villagers are ignorant of their values, or take them as common property of Bai ethnic group rather than private property, so they don’t want to be “nosy”. Even if they have realized that such cultural relics may be stolen, they still have no awareness of protection. Actually, for some Bai villages which are rarely visited by strangers, the stealing of the cultural relics is always in connection with local villagers. It is thus clear that the protection of Bai cultural heritages mainly lies in the inner motive of this ethnic group. Due to its geographical isolation, Bai area is relatively closed with poor information and backward economy. In recent years, most of young adults have gone to developed areas for making a living. They generally don’t care about the ecological and cultural protection of their hometown. With economic and social developments, the protection and inheritance of the ethnic heritage can neither depend entirely on the residents nor be funded completely by the state.

This paper attempts to put forward the suggestion on developing folk tourism in Bai area to stimulate the inner motive for the cultural and economic heritages of Bai and realize the “win-win” situation of economic development and heritage protection.

The possibilities of developing folk tourism in Dali

The folk culture and tourism are complementary to each other, which makes it a strategic tendency to integrate them in the modern tourism. As the tourism powers all around the world are now making a strategy to develop culture tourism, tourism is transforming itself from a monotonous sightseeing tour to a comprehensive tourism, including cultural eco-tour and participating tourism. Particularly, folk tourism and ecological tourism become the new hot spots for global tourism. To develop the folk tourism in Dali can not only facilitate the ethnic economy in Dali but also protect the ethnic cultural resources. Therefore, it is necessary to conduct a practical analysis to the prospect of folk tourism in Dali. Specifically, the folk tourism resources in Dali include the follows :

Costume

Folk costumes are an integral part of the traditions that present as a great attract for tourists. The dress of Bai minorities enjoys a good reputation among Chinese and foreign tourism for its intensive color contrast, harmonious color blending and elaborate embroidery, especially the clothes for women, which are even more pleasant to eyes. In today's Dali, women's costumes still remain many features of the traditional ones. Various adornments including blouse with overlapped collars, short gowns, embroidered short loincloth, head circumference, braid on Bai women's costumes contain wonderful cultural meaning. Bai women in their ethnic costumes can not only add eye-catching scenery of costumes culture for tourism industry, but also make tourists discover the local culture through their costumes so as to inspire tourists' interest to retrospect cultural tradition of Bai culture. Besides, the Bai costume becomes the rage of the market for its unique appreciating and practical values and an important tourism commodity for the folk tourism in Dali.

Handicrafts

In the folk tourism, the handicraft is of the highest practical values. The handicrafts created by Bai people are not only an excellent example of traditional handicraft culture but also an important folk tourism commodity. Bai People with their unique manual skills create many art works full of rich ethnic characteristics, including the tie-dyed fabric, embroidery, tie-dyed ornaments and marble. On the one hand, these fine works with exquisite are collected in various ethnographic museums owing to their high value of artistic appreciation; on the other hand, they have become the hot goods in the souvenir market of folk tourism in Dali for their

high practical value. The handicrafts of Bai people are an embodiment of its folk cultural as well as a kind of significant tourism souvenir that contains rich cultural meaning with its exquisite handworks and distinct features.

Songs and dances

Folk songs and dances are also vital to the folk tourism. The songs and dances of Bai ethnic group is a cultural achievement of folk art of Bai people. Ever since the ancient times, the Bai people are good at singing and dancing in various forms, including folk song (known as “Tune of Bai Ethnic Group”), antiphonal, “Three Ghosts” that combines dance with sing, Dage, “Rattle Stick Dance and “Octagonal Drum” that are the commonest folk activities. The unique charm of its songs and dances enables the tourists to experience the simple and outgoing folk customs of Bai ethnic group. While participating in the traditional events, such as, the Torch Festival, March Fair and Three Ghosts’ Festival, the tourist will not only see the most primitive natural songs and dances and folk customs of the people but also experience its cultural connotations.

Festivals

The ethnic festival is an important cultural event that can fully show the cultural features of a nation. There are many festivals in Bai areas, including (March Fair, Yutan Fair and Songgui Fair), religious festivals (Benzhu Wish Festival, Three Ghosts’ Festival and Sea Playing Festival) and agricultural festivals (Farmers’ Festival, Torch Festival and Tasting Festival). During the festival, there will be all sorts of activities through which the costume, dance, music and sports competitions with unique Bai characteristics will be displayed. Nowadays, more and more tourism are no longer contented with the role as an on-looker; instead, they want to involve themselves in the colorful festivals of Bai ethnic group, thus to experience the fascinating folk customs and the rustic human affection of Bai people.

Religious beliefs

As an importance source of folk tourism, the Bai religious culture is new yet attractive to most tourists, making it an intangible cultural resource that needs to be developed. Worship of the Benzhu (Village God) is a unique religious belief to Bai ethnic group, as it not only preserves the strong sense of primitive religion but also gives out a sense of human affection and human life. To develop the Benzhu belief into specific cultural scenery can reflect the

profound deposit of Bai cultural in a deeper level. The Bai people, especially the woman, worship the Benzhu. Among them, the most pious followers are middle and old-aged women who are above 40. Three Ghosts' Festival, the largest sacrifice ceremony for Wenzhu in Bai areas is a singing and dancing event whose mainly participants are women. In recent years, many tourists, particularly the foreign tourists, experts and scholars have shown a great interest to the Benzhu belief of Bai people and more and more have taken participation in the ceremony.

03. SUGGESTIONS ON IMPLEMENTING THE PROTECTION STRATEGY

Building a characteristic Dali through protective construction

In fact, protective construction is about providing a real carrier for the development of cultural tourism, avoiding cultural assimilation, dissimilation and commercialization. In Dali, a large number of historical cultural relics still remain their original looks, so only restoration instead of artificial reconstruction is needed. "Historical culture is source for urban development; while urban culture is the trend for world development. Historical culture ensures the healthy and sustainable development of a city." Only a rich history and the life, vitality and artistry contained can impress tourists with the most visualized, authentic and intense visual impact and cultural shock. The essence of cultural tourism development in famous historical and cultural cities is to utilize the cultural heritage left by previous generations to create more wonderful culture landscape and excellent living environment. Developing and utilizing national culture is not about regulating, processing and packaging it as superior culture. If the glorious national culture is separated from its original existing environment, the true folk tradition and customs must become commercialized and ritualized shows gradually. Consequently, ethnic culture tourism will naturally become the carrier of those intended and false shows.

Since ancient times, Dali has been the cultural exchange center in western Yunnan. There live multiple ethnic groups and gather multiple minority cultures. Lots of residents here not only disseminate culture but also create culture. The tranquil and friendly smile together with courteous life attitude and behavioral style of people in this ancient city manifests the endless charm and glamour all the time. Tourists' yearning towards the ancient life style and sense of belonging is aroused gradually in the city full of vigor and vitality. That's why

thousands of tourists come here to experience the grace, beauty and simplicity of the ancient city.

Enhancing the self-protection awareness of local people

Enhance the national culture protection awareness of people in the sightseeing places, making local people deeply realize that the national culture is the root of national existence and development and the most important part to maintain the a nation. Local people are supposed to understand that they rely on the national culture and to realize the irretrievability and unique value of the traditional culture from their increased income and improved living environment. Thus they will carry out relevant protection regulations more consciously. After the development of the tourism industry, the national confidence and pride of local people will get strengthened through tourists' visit and participation in local culture so that they will enhance the promotion of local culture and consciously resist the harmful effect of unhealthy culture.

Reinforcing the overall planning of ethnic culture tourism development

Ethnic culture tourism planning is the key link of tourism development. With regard to the ethnic culture tourism development, it is required to take into account the ethnic tourism regions' reality and strengthen the overall planning of the ethnic culture tourism development. When planning and constructing the ethnic culture tourist attractions and demonstration events featured with national customs, songs and dances and local culture, it is required to emphasize on highlighting the local national cultural characteristics, giving prior to the development of ethnic culture tourism resource of comparative advantage and forming attractive ethnic culture tourism products. Thus, each ethnic group will be endowed with unique features.

Increasing investment in national culture protection

In terms of the investment in national culture protection, first of all, it is necessary to set up a special fund for traditional ethnic folk culture protection. The sources of fund are mainly government allocations, money raised from public and donations from at home and abroad. Secondly, set up protection zone of traditional ethnic culture. It is suggested to establish relatively isolated cultural ecological reserve in those regions with relatively centralized ethnic cultures and typical ethnic features. In addition, tourists have limited access to these

reserves so as to protect traditional local life from impact caused by too many tourist activities. It is also indispensable to resist the assimilation of mass media like screen culture and thereby protect local cultural characters and dense traditional cultural atmosphere. Besides, preferential policies and financial support shall be given to traditional ethnic culture protection areas. Third, it is suggested to increase the investment in rescuing and protecting rare ethnic culture and art (including tangible and intangible culture), and attach importance to historic culture, ancient historical and cultural cities, and cultural relics' excavation and settlement as well as salvage and protection. It's required to determine different protection methods according to different types of ethnic culture. In terms of material culture, it is suggested to maintain its original state to the greatest extent and especially pay attention to the protective salvage of endangered cultural relics. Besides, it's suggested to clear up and explore intangible culture in depth, and to inherit and protect excellent culture through cultivating inheritors and establishing various biography museums and schools.

04. CONCLUSION

In conclusion, only by implementing protective construction, manifesting its characteristics, avoiding overload development, impelling sustainable development and changing the extensive development pattern can Dali tourism industry remain sustainable development and can the society make continuous progress. Development is for better protection. Tourism development is the continuation and development of historic city protection. However, as regards the practical operation, protection emphasizes on investment while development considers output and it needs a long time to see the outcome of protection while development requires a quick effect. So, it is usually unable to hit protection without losing the hold of development. Interest-oriented short-term tourism development has seriously impacted the virtuous cycle of ecological environment, leading to the deterioration, transformation and property-changing of the entire cultural landscape in historical cities. Dali ancient city is facing unprecedented crisis and challenge. "Destructive construction" and "devastating restoration" still exist. The historic culture and art forms of local color, ethnic feature and folk characteristics formed in Dali over a long-time development cannot be inherited and protected unless adopting scientific protection, reasonable use and wise construction and utilizing advanced culture to guide the sustainable development of tourism.

Protecting Dali Bai folk culture with ethnic characteristics is the lifeline internal force. Dali Bai culture results from the integration of various cultures here and will also develop and change with the economic development, cultural exchange, politics, etc. The transformation of traditional ethnic cultures isn't caused by tourism, which is just one factor to facilitate such transformation. In my personal opinion, in current situation, the most effective way to protect traditional Bai culture is to enhance national identity value during the process of developing ethnic tourism. It's essential to let local societies and nationalities really understand: our traditional ethnic culture is priceless and will never come back if losing. So, we should not rashly sacrifice our features for wealth, or we will have nothing to attract tourists. We are supposed to reserve our own culture of ethnic characteristics, inheriting and carrying forward it forever. Thus, traditional national identity will be promoted and strengthened. Enhancing national identity value in the process of ethnic tourism development is a growth pattern of internal impetus and power for self-inheritance of folk culture.

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SOCIO-ECONOMIC IMPACTS OF HOMESTAY ACCOMMODATION (Case of Ella Tourism Zone)

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Abstract

Home stay accommodation is thriving in Sri Lanka and is a form of tourism which has significant socio-economic implications. It gives focus on scenic beauty, traditional life style, local culture and customs to attract the tourists. Given the importance of socio-economic impacts of this community sensitive tourism activity, this study examines the economic potentialities of home stay for operators in Ella tourism region. The study also explores the socio-economic impact of this accommodation from the perception of operator's. Both primary and secondary data have been used in this study. A total of 10 home stay operators are selected from Ella for collecting primary data. The sample size has been determined based on non-probability convenience sampling design. Purposive sampling technique is used to select the respondents. Regression and descriptive analysis are using to attain the objectives. The study reveals that home stay is economically potential for the operators. Their monthly income rise based on initial investment, monthly expenses and targeted annual revenue. Moreover, the respondents believe this operation has helped local economy, society and environment. It gives focus on traditional culture and customs of local people. Home stay is increasing employment opportunities, local people living standard and public-private investment; and helpful for conservation and ecosystem to maintain the environmental balance. There are some initiatives such as proper planning and marketing, research activities, increase customer service and sufficient allocation can ensure socio-economic advancement from home stay accommodation.

Keywords: *home stay, regression, socio-economic impact, Ella*

01. INTRODUCTION

Home stay is new accommodation arrangement in tourism industry. It is a potential and prospective accommodation system in tourism sector. This accommodation gives interaction opportunities to the tourists with local communities, cultural heritage, natural environment and social consistency. The government of country has facilitated home stay accommodations rather than large scale resort operation for early stage tourism development. This accommodation has limited capacity, facilities and service qualities for the customers. Home stay provides job opportunities for local communities and improves qualities of life for local people (Bhuiyan, Siwar, Ismail & Islam, 2011a). Some necessary components for home stay are educational opportunities, entertainment facilities, food availabilities, proper arrangement of accommodation and hospitality (Levitt, 1986). The successful operation of home stay depends on active participation of local people. Home stay can ensure economic, social and cultural benefits for local communities as well as sustainable development (Chaiyatorn, Kaoses & Thitphat, 2010). The participation of local people is influencing on social return from home stay accommodations. Home stay operators can contribute in various programs for improving the life standard of rural communities. Home stay program give focus on economic development and social enhancement of the operators (Bhuiyan et al, 2012). Different countries have different definition and concept for home stay accommodation. It is sued in Australia as farm stay, Japan and South Korea as educational home stay, South Africa as leisure stay, Canada as cultural and heritage home stay, USA as agriculture and educational home stay and Singapore as urban home stay (Hamzah, 2010). However, the general concept of home stay is same in all countries. Generally, home stay is different from other type's accommodations such as hotel, motel, lodging, camping. Home stay is helpful for enhancing tourism facilities in a country. It can solve accommodation problems for ecotourism, rural tourism and cultural tourism where tourists' are staying near the destinations. This accommodation is maintaining network between government and local people for tourism activities (Saeng-Ngam, Chantachon & Ritthidet, 2009).

Tourism is one of the main earning sources for Sri Lanka. Tourism activities are contributing positively on country's economy by earning foreign exchanges and employment creation (Bhuiyan et al, 2011b). Sri Lanka recognized home stay as a tourism product to be promoted to solve the accommodation limitation particularly with the increasing numbers of arrivals after 2009. The Tourism Master Plan has recognized home stay as potential tourism product

in 2010. The Sri Lankan home stay is differing from other countries definitions and concepts. It operates in different forms. In certain cases host accommodate tourists in their own house with family members. Similarly, there are homestay units which are separated from the host family with partitions and also there are other forms such as individual housing units which are run by staff. When guests are staying with operators' family members and learn directly or indirectly from each other by exchanging culture, tradition and life style (Peterson, 2004). Necessary spaces, level of quality and security of houses are important elements for the home stay operation in Ella. Home stay program provides tourists multi ethnic life condition with cultural experiences and economic well beings for the local people (Liu, 2006). According to the Sri Lanka Tourism development Authority (SLTDA), foreign tourists from Western Europe, Japan, Australia, Korea and domestic tourists mainly students are the important client for home stay accommodations (SLTDA, 2012).

Ella is one of the tourist attractions of Uva Province (UP) of Sri Lanka. There is some socio-economic backwardness situations are remaining in this area rather than other areas of Sri Lanka (CBSL, 2012). Among them poor incomes, unemployment, poverty, less urbanization, limited investment and poor infrastructure development are mentionable. But this province is full of natural resources, waterfalls, scenic beauties, Buddhist heritages and cultural attractions. Sri Lankan government gives emphasize on tourism development in this province which is executed and supported by Uva Provincial Council on the basis of these tourism attractions. Home stay may be a potential earning source for the local people in Ella and surrounding areas. This accommodation gives focus on traditional life style, local culture and customs to attract the domestic and foreign tourists. This program can create commitment and genuine interest among the local people as well as local youth. The local people can ensure their socio-economic enhancement by participating in home stay program. The present study examines the economic potentialities of home stay accommodation for operators. The aim of the study is analyzing the socio-economic impact of home stay accommodations from the perception of operator's.

02. REVIEW OF LITERATURE

The homestay as and economic activity in tourism industry could be identified as an evolved process through the passages of time and indeed it is not an overnight creation by any kind of a force. The evolution process has been taken place in different parts of the world in different

forms. Such forms could be identified particularly from both East and west parts of the world. However the concept as a commercial operation has comparatively a short history.

According to Hinch and Butler, (1996), Backpackers began to visit Yangjia Beach on Dachangshan Dao in 1985 during the period when China move towards from political revolution to economic reform. These early backpackers had to seek help from local fishers for food and accommodation as the island was short of inns and hotels. A few local fishers accommodated these early tourists spontaneously to earn some extra money which led to the local community's awareness of the value of tourism. Studies elsewhere have shown that economic considerations have been the primary motivating force for the local population to become involved in tourism development. With the increase in tourists, more local houses became homestays which appeal to the budget tourists because of price (Hinch and Butler, 1996).

Even though the concept of staying with a family or Ambalama¹ are some old concepts the commercially stimulated homestays were promoted in Sri Lanka after 2009. Particularly, with the completion of the 30 year old war the tourism industry started growing rapidly. Hence the accommodation facility growth in comparison to the growth of tourist arrivals was of slow and as a solution to this problem SLTDA introduces the concept of homestay in Sri Lanka and called for applications for interested parties to operate as homestay units. On average the 64 registered homestays have been in operation by 2011 and the concept is being embraced by many tourism interested host families. The concept is still at the early stages in Sri Lanka, even though it has been existed for years in both eastern and western countries.

Likewise, the Sri Lankan government through Sri Lanka Tourism Development Authority which is under the Ministry of Economic Development, has identified a homestay as 'one type of tourism which tourists will stay with the host's family in the same house as well as they will learn about the nature, Sri Lankan way of life or Sri Lankan culture. A homestay has to provide services and facilities appropriately. In addition, it needs to be registered with SLTDA, (SLTDA, 2011). Further, such registration would give a strong recognition in the marketing and promotion excises of homestay operators. Moreover, they will be advertized freely on SLTDA web site as well as registered operators would be given training

¹ A term used to name a public lodge which was often used by long distance travelers to stay overnight in the past in Sri Lanka. Different people from different locations spent their night at a closer by Ambalama free of charge.

programmes and will be guided in business operations in accordance with quality standards.

SLTDA, (2012), While any private house in good condition with owners occupying the same house and located in an easily accessible part of the country will primarily qualify to register as a Homestay unit, unoccupied houses with cooking/meals (and other guest service) facilities are categorized as Bungalows. The house shall fulfill the minimum requirements of the Homestay scheme including having one or more rooms for accommodation, with each room having separate attached bathroom facilities. Interested parties are at liberty to submit fresh proposals for approval for setting up Home Stay/Bungalow units in suitable locations, under the supervision Sri Lanka Tourism. As part of the program SLTDA will also be providing a training for all Bungalow and Homestay owners covering areas such as on-line marketing, house keeping, cooking with focus on guest satisfaction, kitchen hygiene, storage of food, garbage disposal, preparation of authentic cuisine, emergencies etc .

In the context of Sri Lanka the homestays are of urgent facility providers in order to solve certain accommodation gaps in late 2009. Hence the facilities started most of the time a pre-build house for different purpose or a house which is not resided by a family. In fact the concept of homestay has been misunderstood in certain cases since a care taker operates a lodging facility under the homestay registration with SLTDA. In contrast there are a pure homestay facilities are in operation in most of the villages close to prominent tourist areas such as Sigiriya, Anuradapura, Ella, Bandarawela and Negombo. Hence the facilities could be seen with all required amenities for tourists in order to make sure homestay guests are happy with their stay.

03. METHODOLOGY

Data Collection

The study has used both primary and secondary data to attain the objectives. A total of 10 home stay operators are selected from three villages of Ella area for collecting primary data. Among the respondents, ten are selected from village- Ella Town, Karandagolla and Kumbalwela. Most of home stay accommodations in Ella area are situated in these three villages. For this reason, the study has chosen these villages for primary data collection. A structured questionnaire has been used in this study with open and close ended items. The

secondary data are collected from some reliable sources such as journals, books, government agencies, several reports.

Overview of Sampling Villages

Most of the families in Ella area are living by agriculture related work either self or estate sector. The tourists are enjoying this agro based living as well as participate in it. Other mentionable activities of this village are visiting Rawana Falls one of the beautiful water falls in Sri Lanka, climbing little Adam's peak, mountain climbing and enjoying the scenic beauty of mountain ranges. Kumbalwela is well known for pottery and it has a tradition of pottery making. This village is famous for clean and fresh vegetable such as leeks, radish, carrot and beans. Karandagolla is a traditional village and situated very close to Namunukula Mountain Range. The attractions of this village are traditional homes, natural beauty and Kirindi Oya. The home stay accommodations of this village are attracting large number of local and foreign tourists as well as school programs. Tourists are enjoying several activities here such as playing traditional games, mountain climbing, working in paddy fields, cultural performances and opportunity to enjoy traditional dishes prepared by host families.

Sampling and Data Analysis

The sample size of this study has been determined based on non-probability convenience sampling design. This technique is based on calculated personal judgments and researchers utilize their own perceptions and knowledge to determine the sample size. The present study is a case study in nature. So, small sample (10) size has been determined to collect primary data due to time constraint and budget limitation. Purposive sampling technique is used to collect primary data from the respondents. The field survey has been conducted on first week of May, 2013. A regression model is used to analyze economic potentialities of home stay accommodation. Moreover, descriptive analysis is used to measure operators' perception on socio-economic impact of home stay. Statistical Package for Social Science (SPSS) software has been used in this study to analyze primary data.

04. RESULTS AND DISCUSSION

Table 4.1 reveals the economic aspect of home stay accommodations on the basis of respondents' opinion. The minimum monthly families living expenses of the respondents are LKR 5000 and maximum are LKR 14000. Most of the respondents (70%) have invested more than LKR 150,000 for their home stay accommodations. The monthly incomes of the respondents from home stay are LKR 10000 to LKR 20000. Most of the respondents' incomes are more than LKR 10,000. The targeted maximum annual revenue of respondents is LKR 250,000 and most of the respondents' annual targeted revenue is below LKR 200,000. On the other hand, most of the respondents have reached in Break-even Period (BEP) within 2-3 years durations.

Economic Aspects of Homestay Accommodation

Table 4.1 Economic Aspects of Home stay Accommodations

Variable	Item	Frequency	Min - Max values
Monthly living expenses (LKR)	5000 - 10500	5	Maximum 14000
	10500-15500	5	Minimum 5000
Initial investment (LKR)	50000-100000	3	Maximum 120000
	100000-150000	5	Minimum 75000
	150000 above	2	
Monthly income (LKR)	10000-12500	2	Maximum 20000
	12500-15000	4	Minimum 12000
	15000-17500	3	
	17500 above	1	
Expected Annual Revenue (LKR) '000	100-150	2	Maximum 250
	150-200	5	Minimum 120

	200 above	3	
Expected Break-even Period (BEP)	2-3 years	8	Maximum 4 years
	4-5 years	2	Minimum 2 years

Source; Survey (2012/2013)

Test of Hypotheses

The hypotheses for testing,

Ho: $\beta = 0$

H1: $\beta \neq 0$

The regression model is,

$$Y = \beta + \beta_1 X_{i1} + \beta_2 X_{i2} + \beta_3 X_{i3}$$

Where,

Y= Monthly Income

X_{i1} = Monthly living expenses

X_{i2} = Initial investment

X_{i3} = Targeted annual revenue

Model Summary

1	R	R Square	Adjusted R²	Std. Error of the Estimate
1	0.988	0.975	0.963	83.57176

Comments: Above model summary table shows that R-value is 0.988 that means the strong coefficient correlation are remaining between dependent and independent variables. R square value 0.975 means that independent variables explaining the dependent variable 97.5 percent. The value of R and R square indicates that the model is good fit.

ANOVA

Model	Sum of Square	df	Mean Square	F	Sig.
Regression	1662094.564	3	554031.521	79.326	0.000
Residual	41905.436	6	6984.239		
Total	1704000	9			

Dependent Variable: Monthly income

From ANOVA table F statistic is (0.000) less than 0.10 (say level of significance 10%). It also revealed that our model is about 99 percent true which means dependent variable is depend on independent variables.

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	753.692	182.127		4.138	0.006
Monthly Living Expenses	-0.518	0.118	-0.361	-4.387	0.005
Initial investment	0.019	0.002	0.837	10.917	0.000
Targeted Annual revenue	0.008	0.001	0.483	6.63	0.001

Dependent Variable: Monthly Income

Source; Survey (2012/2013)

From above coefficients table states that fitted regression model is,

$$Y = 753.692 + (-0.361) X_{i1} + 0.837 X_{i2} + 0.483 X_{i3}$$

In the above regression model, all coefficients are statistically significant at 1% level. From the above regression analysis we find out that all independent variables have a strong effect on our dependent variable monthly income. In the study revealed that monthly income rise of home stay holder's following the increase the amount of their initial investment and targeted annual revenue, those are positively related with dependent variable. But monthly living expenses has negative related with dependent variable while it increase then monthly income decreases that shown in minus sign.

Table 4.2 shows the perception of home stay owners towards socio-economic impacts of home stay operation. Most of respondents (80%) agree that home stay is helpful to focus traditional culture where 10% disagree this. Maximum numbers of respondents (80%) feel that home stay influences employment opportunities for local residents while 20% have no opinion. According to 80% of respondents, home stay is boosting social equity of local people and 20% disagree. 80% of respondents agree that home stay increases the quality of local people's life where 20% disagree this. The statement home stay is helpful for

conservation is supported by 80% of respondents while 20% have no view. Most of respondents (80%) support that public-private consultations are necessary for home stay development where 10% of respondents have no opinion and same portion disagree this. 90% of respondents agree that home stay increases the stability of local people life style where 10% not support this. In respect home stay is helpful for ecosystem, 90% of respondents agree this and 10% disagree.

Table 4.2. Perception on socio-economic impacts of home stay

Statements	Opinion Scale (%)					Mean value	S.D.	Agreed	Disagreed
	1	2	3	4	5			(4& 5)	(1& 2)
Home Stay is helpful to focus traditional culture	10	10	40	40		4.1	0.994	80%	10%
Home Stay influences employment opportunities for local residents			20	40	40	4.2	0.788	80%	
Home Stay is boosting social equity of local people	20		50	30		3.9	1.1	80%	20%
Home Stay increases the quality of life	20		60	20		3.8	1.032	80%	20%
Home Stay is helpful for conservation			20	40	40	4.2	0.788	80%	
Public-private consultations are necessary for Home Stay Development	10	10	30	50		4.2	1.032	80%	10%
Home Stay increases the	1		3	6				9	1

stability of local people life style	10	30	60	4.4	0.996	90%	10%
Home Stay is helpful for ecosystem	1	5	4			9	1
	10	50	40	4.2	0.918	90%	10%

Discussion

Home stay operation has potential socio-economic impact on the local communities. The owners have earned a major portion of their monthly expenses from the home stay accommodations. The initial investments of home stays are less than LKR 120,000. But the owners have reached in the break-even point within 2-4 year period. That means the overall turnover from this accommodation is satisfactory level in terms of earning. This scenario creates a significant impact on employment creation and local economy. The regression analysis reveals that home stay operators get higher earnings by increasing their initial investment and annual revenues. Moreover, the earnings may be decrease if home stay operators' expand their monthly living expenses. The findings of this study show that home stay is economically profitable operation for the operators.

The description analysis of respondents' perception of the socio-economic impact of home stay accommodation shows that most of statements concerning this topic yielded a mean score in the high range. These statements are "Home Stay is helpful to focus traditional culture", "Home Stay influences employment opportunities for local residents", "Home Stay is helpful for conservation", "Public-private consultations are necessary for Home Stay Development", "Home Stay increases the stability of local people life style" and "Home Stay is helpful for ecosystem". This shows that the respondents believe home stay operation has helped the local economy, society and environment. This operation gives focus and highlights on traditional culture and customs of local people. It is keeping the stability of local people living standard and life style. In economic point of view, home stay is increasing employment opportunities and public-private investment. On the other hand, home stay is helpful for conservation and ecosystem to maintain the environmental balance. Again, two statements "Home Stay is boosting social equity of local people" and "Home Stay increases the quality of life" yielded a mean score in the minimum range. According to respondents, home stay

operation is not highly effective for encouraging social equity and increasing the life quality of local people.

The potentialities of home stay accommodation to ensure socio-economic advancement of local people are as follows:

Economic involvement: Home stay accommodation increases income for existing local people in creating business opportunities. It makes active the labor market creates supplemental income from part-time jobs. It also increases revenue for local government.

Less environmental pollution: Water pollution is the most serious threat within environmental threats to sustainable tourism. Home stay creates less water pollution than big hotels. It also creates less solid waste and other garbage. Home stay accommodations are helpful to reduction in water and energy use.

Socio-cultural advantages: Due to differences in culture, some tourist behavior is perceived by residents in an area as culturally inappropriate. These behaviors create many socio-cultural problems in the area. In the home stay, tourists are stay in a local social environment. So, they may be respectful to preserve local traditions, stimulates cultural exchange, and encourages cooperation among local residents.

Employment opportunity: Home stay accommodation creates opportunity of employment for local communities. The local people may be engaged in various tourism related employment by home stay.

Investment opportunity: Home stay accommodation is a potential sector for investment in Ella area. The entrepreneurs can return their investment from market with in short period.

Stable earning: Home stay accommodation ensure stable earnings for the operators. They can operate this program as an alternative and extra income sources with their main occupation.

04. CONCLUSIONS AND RECOMMENDATIONS

Uva Province (Ella) is ranked in backward position in terms of national economic development rather than other parts of Sri Lanka. The national GDP and investment rate also lower in the region. Home stay accommodation can be one of the major activities for economic development in this area. Local communities can benefit from this program as economically, socially and environmentally and culturally. Home stay accommodation

increase the visitors' awareness of sustainability. It encourages the tourists to deliver culturally acceptable behavior towards locality. It also helps to reduce the environmental pollution as well as social degradation. So, local government can give emphasize home stay accommodation for the economic development of local people. Tourism policy should be formulated for enhancing home stay in the rural areas. Proper participation of home stay operators also ensure in this regard. Home stay is potential business operation for the local entrepreneurs. This accommodation will ensure employment opportunities and economic advancement for the local people. There are some initiatives such as proper planning and marketing, research activities, increase customer service and sufficient allocation can ensure socio-economic advancement from home stay accommodation.

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MANAGING TOURISM DESTINATION NETWORKS

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Abstract

Tourism destinations are the primary competitive unit in tourism. Like individual companies, they must generate and maintain a competitive advantage in the market. Destinations are generally made up of heterogeneous actors that together provide the complete tourism experience, which makes the process of marketing and managing the value chain more complicated. This paper argues that destinations can be seen as systems where networks of actors provide the governance structure that facilitates the management of the destination as a virtual service provider. A case study methodology was used to analyse the networks of three luxury mountain destinations on the normative, strategic, and operational level to determine their effect on the destination. The findings show that the networks differ at the three levels and that cooperation and alignment between the levels is important for the destination. The actors at the three levels ought to cooperate in order to facilitate destination-wide activities and provide a framework for the individual operators to deliver their parts of the service. This coordination allows the destination to create a competitive advantage in the market. The paper provides recommendations for further research in destination management and provides practical suggestions for how destinations can create a sustainable competitive advantage.

Keywords: *tourism, destination management, destination marketing, network theory, stakeholder management*

01. INTRODUCTION

Tourism provides a critical component of the economy in many developed and developing countries. In 2012 travel and tourism generated over 260 million jobs around the world and the industry contributed 9% of global GDP (World Travel & Tourism Council, 2013). In order for a country to maximize its benefits from tourism, it is important to understand the fundamental success factors underlying this economic sector. From a supplier perspective, most of the tourism activity takes place in destinations and they form the competitive units in the tourism industry and represent the place where most tourism services are consumed (Bieger, 2006; Ritchie & Crouch, 2003). In most destinations a number of businesses or organizations are responsible for providing different parts of the complex tourism product. Accommodation, transport, hospitality, activities, and attractions all need to be present in order for a tourist to have a complete experience in a destination. They are “... amalgams of tourism products, offering an integrated experience to consumers.” (Buhalis, 2000, p. 97). Due to their importance and in order to maximize tourism benefits, destinations ought to be managed and marketed like a cohesive entity (Bieger 1997).

This paper describes destinations as systems governed by networks of actors. It examines different network structures to determine how actors within them cooperate and communicate to generate the potential for a customer experience. The destination as a whole promises a value proposition to potential customers, which the individual operators then need to deliver on. In order to deliver the promised value, the destination actors need to cooperate and align themselves. The author analyses the cooperation on three levels of management; the normative, the strategic, and the operative level (Schwaninger, 2009). The higher levels of normative and strategic management provide the framework for the tourism experience to be co-created at the operative level. It is suggested that better alignment between actors at the higher levels, will lead to better performance at the operative level.

First, the literature underlying this paper is discussed, followed by an introduction to the methodology. The results of the study are presented and conclusions drawn. The paper closes with recommendations for further research and implications for practitioners.

02. LITERATURE

Destinations can be examined as clusters (Jackson & Murphy, 2002), systems (Bieger, 2006; Kaspar, 1986; Leiper, 1979), or networks (Flagestad & Hope, 2001; Halme & Fadeeva, 2001; Morrison, Lynch, & Johns, 2004; Pavlovich, 2001, 2003a, 2003b; Von Friedrichs Grängsjö, 2003; Von Friedrichs Grängsjö & Gummesson, 2006). However these are not mutually exclusive concepts and some authors use multiple constructs to examine tourism. For this paper the systems and network approaches are of greatest interest.

Destinations as systems

Destinations can be studied as systems, but the organization of the destination happens through and in networks of social and economic ties (Bieger 2006). A social system generally refers to two or more social actors, which could be people, groups or institutions, engaged in reasonably stable interactions within a bounded environment (Abercrombie, Hill, & Turner, 2006; Luhmann, 1995). The tourism system is a complex social system, which operates within social, political, ecological, technological and economic macro environments, and in turn affects its environment. If destinations are viewed as systems, this can accommodate the dynamic nature of tourism phenomena including the consideration of interactions between its various elements, or sub-systems. The focus in modern systems theory is on the analysis of imbalances and change processes in the system's underlying networks (Bieger, 2006; Kaspar, 1986; Leiper, 1990). Changes in open systems can occur through new elements or actors entering the system, changes in the flow or connectedness within the system and through networks breaking up into smaller 'sub-networks' (Bieger, 2006).

Since the whole destination provides the tourism experience, the individual players are interdependent in providing the tourist with a well-rounded experience. Therefore the whole destination as the competitive unit can be seen as a 'virtual service firm' (Bieger 2006). In order to stay competitive the players need to present themselves to the market in a coherent and strategic manner (Camprubi, Guia, & Comas, 2008). The difficulty here is that most destinations do not have their services integrated sufficiently and are unable to control the service delivery. Coordination of the various service providers is challenging, since the 'staging' of the tourism experience (MacCannell 1973) in networked destinations involves many legally autonomous, yet strategically interdependent actors. Therefore, it is more appropriate to think of a destination as an 'improvisation theatre ensemble' rather than a

scripted production (Weick 2001; Von Friedrichs Grängsjö and Gummesson 2006). Taking this metaphor further, it is important for actors to have a common understanding of where they are going, but they do not need to be bound to a fixed structure or script (Weick 2001). This requires different means of coordination than in a corporation, where all activities are embedded in a hierarchical structure with top-down, coercive power.

The management processes in an organisation can be classified into three dimensions (Schwaninger 2004): 1) Operative management; 2) Strategic management; and 3) Normative management. Each of these levels is concerned with different factors relating to 'organisational fitness'. The operative level is concerned with decisions regarding the daily efficient utilisation of scarce resources within the business and support processes. The activities at the strategic level are related to developing and implementing appropriate strategies to compete and collaborate, resulting in sustainable competitive advantage. The normative dimension of management revolves around legitimisation of the business within the conflicting claims, concerns, and interests of the stakeholders (Rüegg-Stürm, 2005; Schwaninger, 2004; Schwaninger & Koerner, 2004). These levels are likely to be as important and applicable in destinations as in a single business, but the tasks performed are all likely to be performed in networks. This would make the communication between different levels and between different actors vital for the viable operation of the destination.

In this model, the higher levels of management (normative and strategic level) must set the framework conditions for value to be created or co-created with the customer (operational level). The three logical levels of management interact and reinforce themselves within the and can be applied in the analysis of different systems, for example businesses (Rüegg-Stürm, 2005), project management (Schwaninger & Koerner, 2004), and services (Bieger, 2000). Since destinations are also systems and theoretically should be managed like a business, this paper argues that all destinations also exhibit the three logical levels of management and that they can be influenced by the actors to steer the destination. Figure 1 shows a conceptualisation of the three levels of destination management and the relationship to the tourism process.

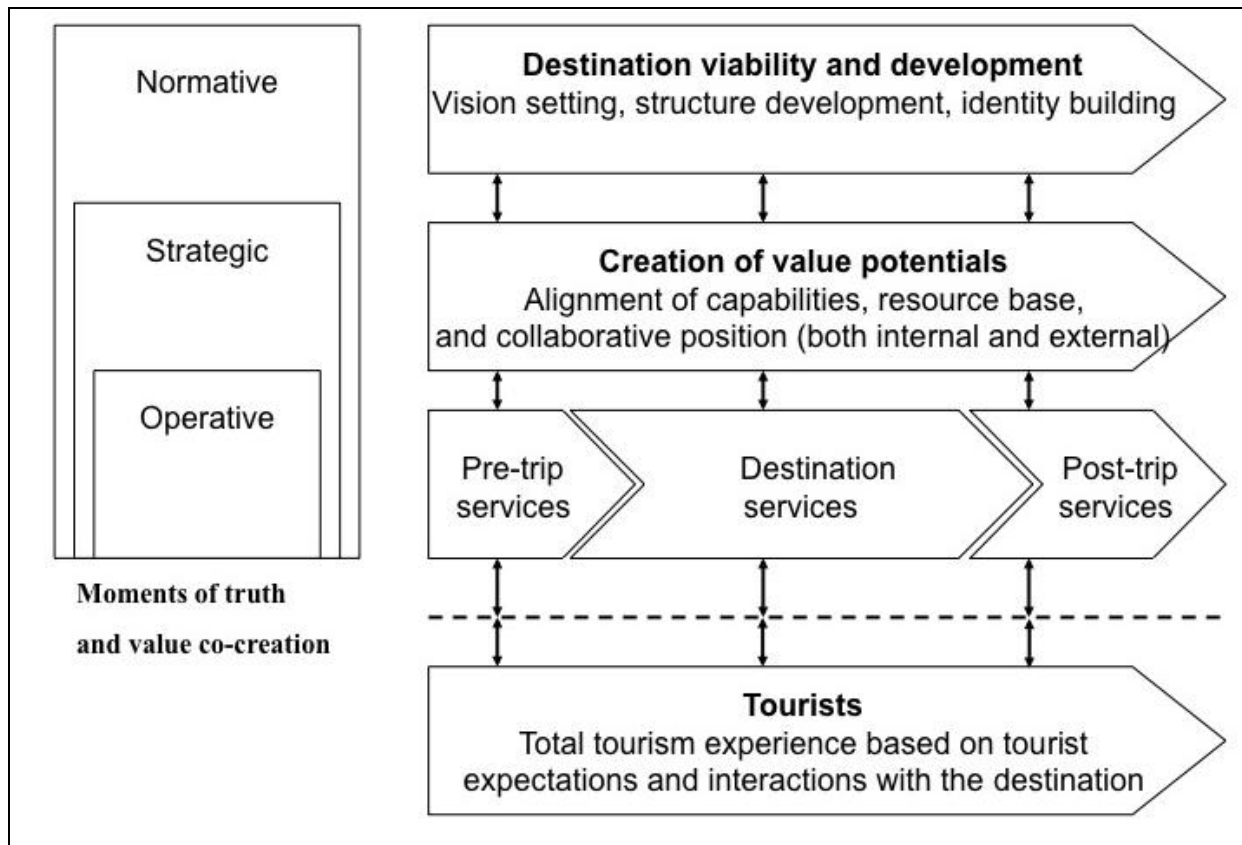


Figure 9: The three levels of management in relation to the tourism process in a destination

Figure 1 shows the reinforcing effects of the different interacting levels. This is related to the concept of the virtuous value cycle (Schwaninger, 2009). This states that system viability leads to an increase in value potential. The execution of services along with and in line with these value potentials creates value. This in turn improves the viability of the system. In the case of a destination, creating viability at the normative level could refer to the setting of a vision and building an identity (maybe in form of a brand). From there, strategic plans are written and collaborative positions explored, leading to new value potentials. These potentials are then leveraged and together with the visiting tourists, the individual operators co-create value. This value adds to the reputation of the brand, which in turn increases the viability of the destination. However, crises, mismanagement or other systemic failures could also create a downward, or negative, cycle leading to reduced viability.

In order to improve the operational marketing and management of a destination, the framework preconditions need to be created at the higher levels of management. Figure 1 integrates the three levels of management with the tourism process from a destination's point of view. The actual 'Moment of Truth' happens when the tourist comes in contact with the

value potentials created by the destination. It is in this interaction that the value for both tourist and tourism operator is generated. The diagram shows the higher levels of management that provide the framework conditions for this interaction to occur and be influenced by managers. This basic framework is thought to be the same in all destinations, however the actors involved and the way in which the support activities at the higher levels are performed will differ depending on the destination type. Also, the level of cooperation and communication between actors at different levels and between different levels is likely to differ in various network types.

Network structures

The customer experience in tourism destinations is co-created between the tourist and the actors within the destination. A destination is a complex system, which is made up of multiple private and public actors that together provide the potential for a tourist to have an experience. The actors are embedded in networks that both create opportunities for and constrain action of the individual actors (Kilduff & Tsai, 2003). The network structures that govern the destination can take different forms, on the basic continuum from loose market arrangements to hierarchies, with network constellations as the middle ground (Bieger, 2006). Within the network type, two models have been proposed based on either the types of contracts that govern the destination (Bieger, 2006) or the power of actors in the network (Storper & Harrison, 1991). Table 1 shows the possible arrangements based on these two models. It is assumed that as the level of structure increases, the contracts also become more explicit.

	Less structure	← →	More structure
Power structure	All ring, no core	Core with ring (coordinating firm)	Core with ring (lead firm)
Contract basis	Implicit contracts	Explicit contracts, decentralised	Explicit contracts, centralised

Table 3: Different possible network structures (based on Bieger 2006; Storper and Harrison 1991)

In a network destination, the different services are not internalised into one formal organisation and therefore relationships between actors act as a precursor to the operation of the overall service delivery. It is therefore important to know how the relationships between actors and the networks they form influence the destination management at the three logical levels of management as well as between levels.

All tourism destinations must perform the same essential functions to provide the tourist experience, but the way in which this is done varies based on the structure of the network/s at a destination and the interaction between actors. The problem is that although models of different destination types and structures have been applied in the tourism literature, these have not been delineated based on their underlying characteristics. In addition to structure, the communication between actors in the destination is of interest. Communication is essential for a system to function and provides cohesion.

The basic assumption is that the management processes at the normative, strategic, and operative level are all facilitated or hindered by the network. The processes may in turn, influence the network. So the network can both be the independent and dependent variable (Hoang & Antoncic, 2003). However, for the purpose of this paper the network will be the independent variable and the management processes are the dependent variable.

This research employs constructs from network theory to differentiate the networks in the destinations. The first three factors are centrality, density, and the balance between strong and weak ties. Centrality refers to the degree to which the network is centred on individual actors or groups of actors (Wasserman & Faust, 1994). Networks with a single centre are more mechanistic, whereas multiple centred networks are more organic in nature (Kilduff & Tsai, 2003). Density in networks is calculated as the ratio of actual connections between actors divided by the possible number of connections. Therefore a density of 0 refers to a grouping of autonomous individuals, where a 1 would signify perfect connectivity (Kilduff & Tsai, 2003). The individual ties can be categorised as strong or weak, where strong ties have more frequent contact and are more structured than weak ties (Granovetter, 1973, 1983; Kilduff & Tsai, 2003). Since weak ties are looser and there is less overlap in relationships between members of the network, they are advantageous when looking for new information or connections with other groups (Granovetter, 1973, 1983)

The other factor that will be examined is the contractual basis for the network, which can be either implicit or explicit. Implicit contracts are based on social agreements and trust, whereas explicit contracts are based on formal written agreements that are legally enforceable (Bieger 2006). The purpose in the differentiation is to determine whether a more structured destination automatically switches to a more formalised or explicit contract mode.

Table 2 shows the differences between the destination structures in regard to network theoretical factors. The labels for centrality and density – ‘low’, ‘medium’ and ‘high’ – are used as gradients of the factors and do not imply an interval scale. The values given to the ‘strong/weak ties’ and ‘contractual basis’ factors are aligned, since coordination through explicit contracts implies a stronger tie than an arms length transaction. These assumptions will be examined during the research to find out whether they are accurate in the destinations studied and to determine whether there are differences between the levels of management in relation to these factors.

Factors	Network based structures		
	All ring	Core with ring, coordinating firm	Core with ring, lead firm
Centrality of main actors	Low	Medium	High
Density	Low	Medium	High
Strong ties/weak ties	More weak than strong	More strong than weak	More strong than weak
Contractual basis	Implicit contracts	Explicit contracts	Explicit contracts

Table 4: Factors differentiating network destinations

A second goal of this research is to determine the success factors for destination management at the three levels of management. Therefore, the research question guiding the paper is:

How do different network based structures influence the normative, strategic and operative levels of destination management? And what are the success factors across destinations?

03. METHODOLOGY

The purpose of the research is exploratory and theory building. A comparative case study methodology was chosen for this research project, since this allows for deeper analysis of complex phenomena. Case studies help to research a phenomenon within its real-life context when the boundaries between the phenomenon and context are not always clearly evident (Yin, 2003). This is particularly true for networked structures that are in themselves hard to delimit (Jarillo, 1995). Networks cannot be taken out of their context and they should be studied taking into account their context, the inherent complexity of the phenomenon under investigation and the ‘persona’ or personalities of the people involved, including both respondents and the researcher himself (Gummesson, 2006). The destination as a whole is the competitive unit in tourism, but the individual businesses and other organisations involved are most often legally autonomous. Case-based research is advantageous here, as it can connect the micro level (actions of individuals) to the macro level (social or environmental processes and structures) (Vaughan, 1992). Therefore, to address the research question and compare different structural effects on the management levels, case studies were chosen as the most appropriate methodology.

Case selection

The destinations for this study were specifically chosen to be similar on literal characteristics (alpine, size, etc.), yet different in regards to the theoretical, structural dimension under study. Three cases were chosen as comparative case studies, based on their differences in organisational structure for theoretical replication and based on their commonality on the literal dimensions (see Table 3).

	Wanaka, New Zealand	St Moritz, Switzerland	Åre, Sweden
Literal replication	Alpine village, dependent on tourism, peripheral, full service offering (similar between destinations), accessible for study purposes, language known to author		
Theoretical replication	Implicit contracts, no major players, all ring, no core	Explicit contracts, core with ring, decentralised, strong brand	Explicit contracts, core with ring, centralised, lead firm

Table 5: Cases chosen on literal and theoretical replication dimensions

04. DATA COLLECTION AND ANALYSIS

Semi-structured interviews were used as the primary method for data collection. Secondary documents were also collected to provide further depth to the analysis and to triangulate information gathered from the interviews. In each destination, interviews were conducted with high-level managers with a good understanding of the overall destination. Twenty-seven interviews, lasting about one hour each, were conducted across the destinations. They were all transcribed in the language they were conducted in, which was English, Swedish, or German. The transcripts were first coded using NVivo software and then data matrices created to help clarify connections within the data.

05. RESULTS AND DISCUSSION

The results show the network factors identified within the three destinations (Table 4). Some of these differ from the destination types assumed in Table 2. The results presented in Table 4 are the ‘averages’ across all levels and aim to show the whole destination. If the networks are analysed at the individual management levels, differences between them become apparent. However this is outside of the scope of this paper. The finding that analysing a destination as just one network hides some of the finer details is useful in itself. The differentiation between the three management levels allows a much finer distinction between the required structures and success factors, since then the networks can be delimited around relevant goals and issues. These can be described as similar to action nets (Czarniawska, 2004), which are connected through their joint focus on a goal, outcome or joint process. An actor’s involvement in the three management levels can be used as the basis for sub-network differentiation, which can lead to more accurate analysis of the networks that are moving in similar directions.

Factors	Cases		
	Wanaka	St. Moritz	Åre
Centrality	Medium	High	High
Density	Low	Medium	Medium
Strong ties/weak ties	More weak than strong	More strong than weak	More strong than weak

Contractual basis	Explicit/implicit	Explicit/implicit	Explicit/implicit
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Table 6: Summary of network factor results for the three cases

Difference between levels

The network structures at the three levels of management were different in all three destinations. This in itself is not a surprise, since other research has already shown that networks can be studied at different levels of analysis (Jäger, 2006; Tinsley & Lynch, 2001). However, an analysis of networks at the different levels of destination management is a new approach. The results from the cases suggest that there are trends in the network factors at the three levels at which they were analysed. This means that analysing the factors at the three levels provides deeper insight into the underlying structure of the destination networks. Each trend in the network factors is now described based on the case results.

Centrality

On the centrality dimension, the level of centrality was higher than predicted in both Wanaka and St. Moritz. It seems that even in these less tightly structured destinations, there was a core group of actors that were at the centre of the three management levels. This can possibly be explained by the relatively small nature of these destinations. In larger destinations, these groups may be more diverse and therefore the centrality lower, which might be an interesting subject for further research. Also, the strong relationship between the local council and the tourism organisation in St. Moritz, makes them a very central element at both the strategic and normative levels.

Centrality of individual actors can be high at any level of the destination, since actors can gain their power or influence from exceptional resources, competencies, or connections at any level. Power at one level can then be leveraged to influence other levels. The normative level is where most of the central actors will be found, since if they have power in either of the other two levels, it is in their interest to help shape the normative direction.

Density

Density of the networks is also greater at the normative level, since there are fewer actors involved. Since dense networks increase efficiency, this would suggest that there are also higher efficiencies at the normative level. However, this is not necessarily the case since this also requires some strong ties between actors, ideally between all of them. Dense networks

like the Visions 2011 group in Åre have the advantage that the mutual relationships between all the members make information exchange and also decisions very efficient. The fact that they all have project-based strong ties enhances this effect even further.

Overall, the density of the networks was lower in Åre than was originally assumed. This could be due to the fact that a core group of actors, centred around the Vision 2011 group, facilitate much of the interaction between their members and staff. The density in the networks in the three destinations also differed depending on the level at which the actors were active. Density was lower at the operative level than at the higher levels. This may be explained by the higher number of actors involved at the operative level than at either of the higher levels. However, high density is not automatic at the normative level, as seen in Wanaka. Although only few actors in the destination are involved at this higher level, they are still not all connected. This can reduce the efficiency of the network and lead to conflict. In Åre and St. Moritz, the core groups, which make up the normative and strategic level, are very densely connected. This increases the efficiency with which they can decide and implement their strategies.

Networking takes effort and mutual commitment of time, energy and other resources, which makes it a better tool for long-term economic development, rather than the short-term pursuit of profits (Dennis 2000). This may be another reason why actors at the operative level are less densely connected. Their focus is more on individual profits for the actors, not on long-term development of the destination. This is also related to the dual value sets that affect the actors' opinion on and involvement in networking: society and community (Von Friedrichs Grängsjö 2003). The societal value set implies that the destination serves the company, individual actors are in competition with one another, and they seek to maximise their own personal gains. This is likely to drive thinking at the operative level. The community value set is focused more on what the company can contribute to the destination, balancing cooperation with the drive for competition (Von Friedrichs Grängsjö 2003). These value sets are not mutually exclusive but in a dialectic relationship, with the competitive values embedded in the larger more cooperative values. This balance can be seen as the co-optation dynamic in a destination. An example of this in action is the Vision 2011 group in Åre. The individual actors work together on planning the vision for the destination and do their share in achieving the goals. However, at the strategic and operative level, each person operates as efficiently as possible, maximising the gain for his or her own company or organisation. Even

Åre municipality has a vested interest in improving the economy of the destination, since it increases their tax income and encourages more people to move to Åre.

Balance of strong and weak ties

All three cases exhibited a combination of strong and weak ties. However, some appear to have a better balance between efficient strong ties and weak ties for innovation (Pavlovich 2003), also called structural optimisation. Strong and weak ties can occur at any level of the destination, but the results have shown that it is important for the most central actors to have strong ties. These actors have power in the destination and can influence the level or levels they operate on, which makes the interaction between them critical. Central actors ought to find common ground on normative and strategic issues that influences how the destination as a whole functions (Bieger 1997). However, because the actors can have varying objectives, finding this common ground can be difficult in practice. If cooperation between different actors regarding tourism is achieved, this can reduce tensions between them, as it provides opportunity to work towards a common goal and allows actors to learn about one another (Sonmez and Apostolopoulos 2000).

Strong ties between central actors enable the actors to make decisions at the normative level and implement these both strategically and operatively. Åre and St. Moritz provide examples of how these arrangements can function in quite different ways: Åre working with an informal group of key decision makers and St. Moritz focusing around a very strong tie between the tourism organisation and council. The information or additional input from the weak ties could then be utilised to improve the competitiveness of the destination. There was no clear trend in the weak ties, as they were present at all levels.

Contractual basis

All three levels of the destinations exhibited explicit and implicit contract mechanisms, sometimes simultaneously. This suggests that even if a primary explicit mechanism is in place, the social structures can still implicitly govern a destination. For example, social ties between actors supplemented the explicit legal guidelines, provided by the Resource Management Act, in Wanaka. The dominant explicit basis in Wanaka was still less effective in providing normative direction, than the implicit bonds between the primary actors in Åre. Quite the opposite is true in St. Moritz, where the explicit agreements between the primary

actors provided a good framework for the destination. Whichever type of contractual basis exists, the important point is that the actors buy into it and support it.

Success facilitators

Across the destination, some common themes in terms of success facilitators were determined. The success facilitators at the varying levels of management were analysed in relation to the goals of the level. Table 5 provides an overview of these results.

	Goal	Success facilitators
Normative level	Destination viability	<ul style="list-style-type: none"> - Involvement of key stakeholders in the process - Cooperation between central actors - Leadership - Strong ties between central actors - High density
Strategic level	Creation of value potentials	<ul style="list-style-type: none"> - Cooperation between marketing and managing actors - Strategy aligned with normative vision - Strategy aligned with resources base and capabilities of actors
Operative level	Value co-creation	<ul style="list-style-type: none"> - Customer focus - Joint products - Information sharing

Table 7: Success factors for the different levels of destination management

At the normative level, the goal is to ensure the viability of the whole destination, which is why the involvement of the primary stakeholders as well as the cooperation between actors was most important. They are all part of the destination and ought to be part of the normative

discussions. This relates closely to leadership of the destination, which is often provided by the most important actors, ideally in cooperation. Strong ties and high density of the networks at the normative level in Åre and St. Moritz achieved the most consistent framework for the strategic and operative level to function.

At the strategic level, which builds on the normative direction, the cooperation between the marketing and managing actors was important, since these two need to complement each other. This is important, because the marketers make promises to the tourists, which the operators need to keep. The destination management needs to keep what marketing has promised, which makes this facilitator so critical. Åre and St. Moritz, who demonstrated the most alignment of the strategic and the normative level, were also the most successful in their marketing. The alignment of the promises with the actors' resource bases was necessary to present a consistent set of value potentials to the market. Clear differentiation of the actors' competencies and positioning reduced tension, because it lessened the direct competition between them. This means that if operators do not see the other actors as direct operative competitors, they are more likely to cooperate on destination issues.

At the operational level, services are delivered to customers, which is why customer focus is a strong success facilitator here. In destinations a large number of individual operators provide the tourism experience together, which requires coordination. In order to provide a holistic service offering to the tourists, information sharing and joint projects are important. Joint education projects, joint product development, and formal or informal information sharing were used to improve customer focus in the cases.

Different actors are involved at various levels of the destination, which is why analysing networks at the different levels provides a more precise picture of the management processes that influence the destination. Managers can use the success facilitators to analyse their performance and to improve their operation at all levels.

06. CONCLUSION AND RECOMMENDATIONS

When marketing a destination, it is important to consider the complexities of the networks present and active in the destination. Applying the lenses of the three levels of management, has the advantage that it allows the separation of critical issues at these levels. The network characteristics of the three cases were analysed in terms of their centrality, density, balance of ties, and contractual basis. This showed that dense networks and strong ties are important at

the higher levels, because this helps to provide a stable basis for setting normative direction and strategy. More actors are involved at the operative level and this is also where most of the competition between actors occurs. Overall, an analysis at the three levels of management provides a more accurate picture, because the networks of actors involved at these levels differ. A number of success facilitators were identified at each of the three levels that provide practical management steps that can lead to improved destination performance.

Theoretical contribution

The research findings suggest that any theory of destination marketing and management needs to take into account the networks of actors in the destination and how these affect the various levels. On a practical level, this means that before developing a marketing strategy for a destination, the actors are well advised to take stock of the dynamics within the destination and to align normative, strategic, and operative considerations. The same applies to researchers, who should acknowledge and integrate the different levels of networks into future research.

This paper contributes to the destination marketing literature in that it distinguishes key success factors for operating in networks at the three different management levels. The implication of these is that tourism marketing must be considered within the overall framework of the three management levels, since the success factors build on or detract from each other. Marketing management research ought to acknowledge that destinations are made up of networks that differ in their structures and affect the destination at different levels. This means that destinations ought to be studied as the complex systems they are and not as black boxes that can be marketed, branded or sold. This adds a level of complexity to the study of destinations, but will simultaneously allow for more precise research and definitions of the underlying factors that drive or influence the marketing, branding and selling of a destination.

Implications for practitioners

For a destination manager and/or marketer, the results suggest that networking, relationship building, and communicating with stakeholders may well be the most important activities. The research showed that in the three destinations, different approaches were taken to both marketing and management of the destination. However, the actors identified communication in all destinations as critically important.

For a tourism operator the implications are that the awareness of the destination network and its dynamics is important. Each manager should be aware that they are unable to win without contributing to the greater good of the destination. Hence, only cooperative strategies, aimed at growing the pie, and joint innovation are likely to lead to long-term growth in the destination. This needs to be balanced with the competition between operators. This co-optition is a challenge that all operators need to be aware of.

Further research

The paper is based on a study conducted in luxury mountain resorts in developed countries. Further research is suggested to test the applicability of the three levels of management in destinations in other countries, including developing countries. This would include quantitative testing on a larger sample. One hypothesis may be that in those countries where political and regulatory frameworks are lacking, social interaction and communication becomes even more important. However, the actors' willingness to trust each other may also be reduced by the lack of good governance, corruption, and other destabilizing factors. Overall, destination management in developing countries has not been researched in much detail and in order to use tourism as a tool for development, further theory development in this area is necessary. Network models, taking into account local framework conditions, social ties and different levels of management are likely to provide a good point of departure for theory development in this area.

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BRANDING WORLD HERITAGE AND LOCAL VALUE SYSTEM: THE CASE OF KOYASAN, JAPAN

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Abstract

Koyasan is one of the Sacred Sites and Pilgrimage Routes situated in the Kii Mountain Range, a cultural heritage symbolizing the spiritual culture of Japan and designated by UNESCO as World Heritage in 2004. Koyasan is a Buddhist village located in the mountains of northern Wakayama prefecture. It is one of the major Buddhist holy sites in Japan and was established by the legendary monk, Kobodaishi Kukai, as a Shingon Buddhist ascetic training center 12 centuries ago. This paper focuses on the dilemma of religious adaptation in the context of globalization, when a Japanese religious sect, Shingon, has to find surviving strategies in the milieu of cultural tourism. Many monasteries at Koyasan have to offer temple lodgings providing accommodation for tourists, with monks offering various hotel services, including working as bellboys. This paper describes and interprets the processes and practices of traditional Buddhist monks in terms of destination branding, promotion and the interaction of traditional value system of Buddhist monks on hospitality, drawing on observations and fieldwork at Koyasan in October 2012. This paper aims at studying the role of Buddhist monks as they somehow adapt the traditional relationship between the laypeople and Buddhist monasteries for tourism purposes in the name of “monastic survival.” Hence, a question is raised as to how they can incorporate the traditional religious values as they are caught in a real dilemma between their role as Buddhist monks and that of “hotel attendants.”

Keywords: *World Heritage, destination branding, Koyasan, Japan Buddhist monk, local value system, tourism management*

[19]

CULTIVATING STRATEGIES OF RESIDENTS' POSITIVE ATTITUDES TO PROMOTING TOURISM IN ETHNIC TOURIST AREAS

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Abstract

With the awaking of the residents' consciousness in the national tourist areas, if governments planning departments and tourism management departments are only concerned with the economic benefits brought by the development of tourism while neglecting the interests of local residents, it is likely to lead to high emotion against the development of tourism, thus impeding the sustainable development of national tourism. Only tourism businesses, residents groups and governments with joint effort can achieve residents' positive attitudes to promote the sustainable development of ethnic tourist areas.

Keywords: *ethnic tourist areas; residents; attitudes; cultivating strategies*

01. INTRODUCTION

With the development of ethnic tourism destination, improvement of education and the awaking of the residents' consciousness residents will be more and more attentions to the right of maintaining their daily life and protecting their privacy. If the government departments of tourism ignore the interests of local residents, even don't know their attitudes and cognition toward tourism development and only focus on the economic benefits coming from the tourism exploitation, it will cause residents' high spirits against the tourism development which hinder the sustainable development of ethnic tourism.

Cultivation of positive attitudes to ethnic tourism development is beneficial to creating a harmonious tourism atmosphere, getting satisfying tourism experience and establishing the good image of tourist destination, forming benign interaction between residents and tourists so as to achieve the sustainable development of ethnic tourism.

02. THE PRINCIPLE OF CULTIVATING THE POSITIVE ATTITUDES

2.1 " protection in the development"

To cultivate the positive attitudes of residents should find a benign development path of ethnic tourism. Ethnic culture is regarded as economic resources and capital in exploiting of ethnic tourism which is the best combining point of economy development and ethnic culture development, is the real driving force of regeneration and creativity of ethnic culture and is the feasible way of sustainable development on the perspective of ethnic culture development.

The target of ethnic tourism development is guaranteeing the rapid and steady development of ethnic tourism and the local community and improving the local social economic development meanwhile protecting the local ethnic culture. Consequently the tourism development must ensure that stakeholders obtain their tourism benefits and fair allocation and protect ethnic culture in the development of ethnic tourism. " Protection in the development" emphasizes that the development of ethnic tourism is progressional direction and precondition and the protection is important accessorial means and the object of protection is self-consciousness and approaches of ethnic culture change . It requires residents' initiative facing various challenges in ethnic tourism exploiting and improving

awareness which guide them to choose, examines, distinguish, absorb and combine with comprehensive impacts of ethnic tourism development actively and forwardly.

2.2 The government domination

Development of ethnic tourism destination needs the government policies and measures as dominated situation, which is an effective guarantee for the awaking of the national self-consciousness which is the inner motive power of national culture change. In the process of modernization ethnic culture development depends on the national self-consciousness on a range of issues, such as ethnic culture should be change or unchanged, how should ethnic culture change and where it should be change.

National self-consciousness is not native and it gradually forms in two steps. First step, through understanding of aseity and self-power in cogitation of national existence, rights, honor or disgrace, safety and crisis, etc and cognizing the relationship between themselves and external world, their self-awareness forms gradually. Second step, self-consciousness forms via seriously thinking about the existing , competition, development and growing. Therefore national self-consciousness includes not only self-awareness, also the consciousness of national development. That means self-consciousness highlights people should cognize not only self and the difference between themselves and the other nation, but also self and the developing distance so as to inspire national pride and struggling spirit.

With the government's leading policy and guidance the local residents can give full play to the subjective initiative and creativity to improve self-consciousness of ethnic tourism, to cognize their ethnic culture value, to adjust the impacts and form a positive attitudes towards the development of ethnic tourism.

2.3 Long term and in stages

The impacts of ethnic tourism are a complex system and a developing process in different periods and stage. Therefore adjusting and cultivating residents' positive attitudes are a long-term process and should consistent with local long-term development to plan the feasible strategies and measures in stages.

2.4 Based on the characteristic of ethnic culture

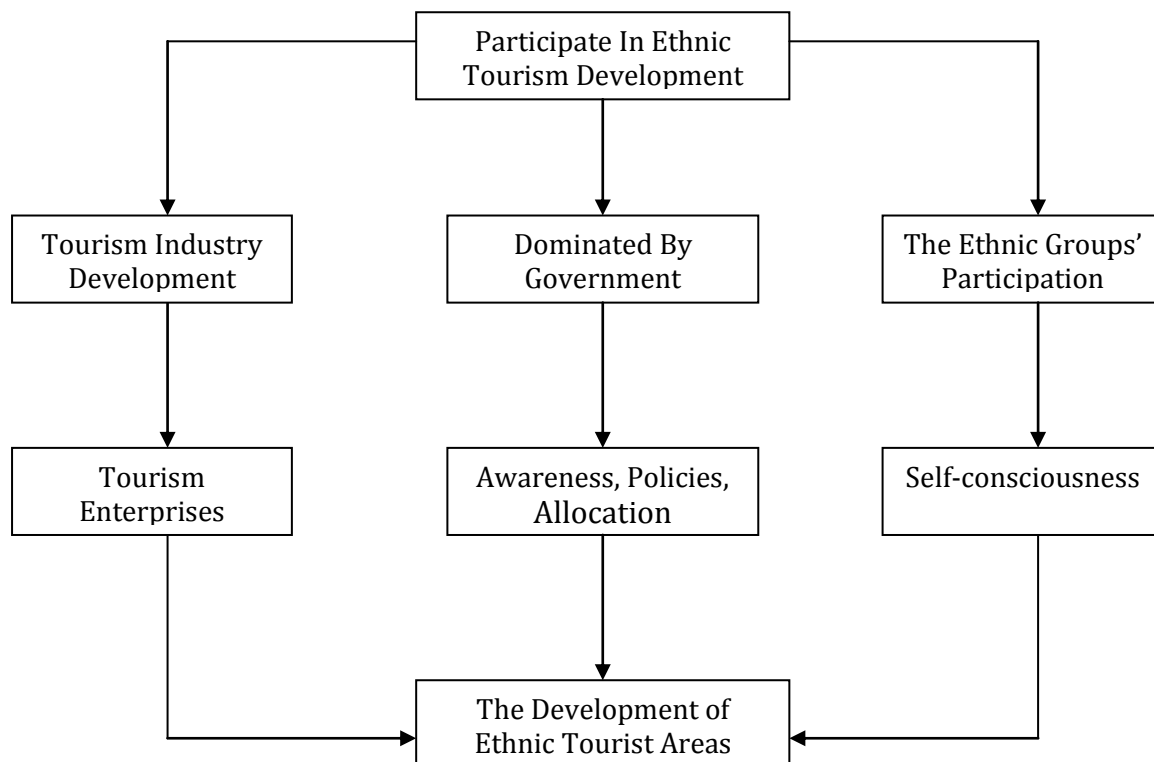
In ethnic tourism destination ethnic culture and the unique characteristics are the key of development of ethnic tourism and cause ethnic tourism to be a compound which mixes the foreign culture and local culture, modern culture and traditional culture together. So the

different tourist areas should highlight its distinctive characteristics of local traditional culture.

03. CULTIVATING STRATEGIES OF RESIDENTS' POSITIVE ATTITUDES

Based on the above principles and combined with the analysis of the residents' attitudes towards the impact of ethnic tourism destination[1]this paper illustrates cultivating strategies of residents' positive attitudes from the perspective of three stakeholders. The Cultivating strategies structure is as follows (Figure1)

Figure1. The cultivating strategy structure of residents' positive attitudes.



3.1 The dominant policy strategy

3.1.1 Improving the awareness of sustainable development and “protection in the development”

Globalization of tourism, entertainment industry, trade and economic cause the great impacts to ethnic tourism destination and constantly develop all kinds of negative influence with tourism. Government tourism department should educate residents groups to understand the positive and negative impacts through various channels and media, to clear what are the residents' protections and why are they worth protecting, to improve the awareness of ethnic tourism sustainable development and “protection in the development”

3.1.2 Policy support on development of ethnic tourism and ethnic culture

The ethnic tourist areas of economic development and social progress should not be a simple cloning and do not have specified rules and arranged path. So the government should consider the survival and development of local residents as a core of ethnic tourism development when it makes the supporting policies. Based on establishment of the fundamental facilities, the government policies should establish “different” tourism quality evaluation to strengthen the different characteristics of different ethnic tourist areas, to highlight the cultural landscape of the national style, to maintain and develop "exotic" feature, to support the ethnic culture development in tourist destinations, to obtain cultural self-identity from residents and cultural identity from tourists.

The development of ethnic tourism and ethnic culture should consider the ethnic culture change coming from not only absorbing, acculturation, integration, discrimination by itself, but also external effort of local society. Therefore the government should guide the culture change to via a range of policies to help ethnic residents to carry out ethnic self-renewal and inheriting and achieve the success of keeping culture characteristics with transition from traditional lifestyle to modern life. For example Japan used “Cultural heritage protection law” to prescribe the means and measures protecting and inheriting traditional culture, which help Japanese culture to develop in the tide of modernization. Therefore the government should make policies which encourage national residents to participate in ethnic tourism industry , witness and sense the value of ethnic culture , throw themselves into studying and inheriting the traditional cultural forms, such as crafts , arts, ceremonies, words, etc so as to set up the self-confidence for their ethnic culture and choose the cultural developing paths independently.

3.1.3 The fair and reasonable allocation

In ethnic tourism, the tourism development is relying on the national cultural resources. Therefore more close distance from tourism resources can get more opportunities for tourism employment and profits. This is easy to cause the differentiation of resident income. Furthermore with the increasing of foreign residents and fierce competition of employment, residents will amplify the bigger differentiation in income. More and more people will change their attitude on tourism because they don't get benefits in the tourism development. Residents gradually feel that expected result is uncertain and will be given up hope for tourism development.

So, to develop of ethnic tourism, administration needs to consider the household income, living conditions, the tourism employment expectation and combine with the actual situation of residents to give them preferential policies on tourism employment, create multiple channels of tourism employment opportunities and encourage their participation in ethnic tourism, such as providing employment opportunities, arranging unemployed or laid-off residents to work in the tourism, improving the living conditions of ethnic tourism destination, helping residents to carry out tourism activities, particularly giving appropriate subsidies to residents who get no or less profit in the tourism industry in order to compensate the cost that has been paid in residents' living environment, culture and other aspects of culture. When the residents obtained tourism benefits, they can correctly understand and face ethnic tourism, actively participate in the protection of national culture and form a positive attitude which is a continued positive attitude for ethnic tourism development.

3.2 Tourism business strategy

Tourism enterprises is a one of stakeholders and their business must carry on the strict constraints and norms, outstand national culture "experience" in the design of tourism products and establish the business philosophy : "quality and efficiency of parallel operation ".

3.2.1 Tourism product design

According to the different characteristics of the tourism resources tourism enterprises need to create diversification of tourism, especially design new tourism products basing on national culture. The most current ethnic tourism products was "copy" ones which formed a "watching" traveling style that was only primary stage of development in tourism industry and easy to cause the national culture "commercial" and "superficial".

The tourism exploiting of ethnic cultural should consider that the travel behavior culture of tourists need integrate into ethnic culture of tourist destination and transform the consuming goal of tourists from “hunting novelty by watching” to “comprehending, sensing and exploring by experience”. The traveling style should be changed from “watching” to “participating and experience” which promotes tourists to communicate with local residents fairly and gain the deep cognition to ethnic culture. This will help to weaken the tourist culture status so that the residents could enjoy equality and respect from foreign culture of tourists and apperceive the rights which are given by tourists to choose how to develop their culture as tourism resources.

3.2.2 Change management ideas

The development of tourism enterprises is based on the business philosophy. The traditional business philosophy of "economies of scale as the goal," is the importance of quantity of tourism reception and ignoring the quality of tourism development. Without doubt the development of tourism needs a certain scale tourists in order to establish the image of tourism destination to produce a "demonstration effect". But if tourism enterprises produce a lot of cheap and low quality tourism products to attract tourists, those products will come to the grave negative impact on ethnic tourism zone, such as the traditional way of life, living environment, national culture, traditional religion, etc[2]. Therefore tourism enterprises should effectively control the strength and speed of tourist flow, give the residents a buffer time to think of, judge, compare and integrate the impact on ethnic tourism and transform the business philosophy from " economies of scale " to " the quality and benefit of parallel option "

3.3. Ethnic groups strategy

3.3.1 Participation of Ethnic groups

Community participation is the one of effective ways of sustainable development of ethnic tourism. Before the residents participation they also should to strengthen the self-consciousness to fully understand themselves and the value of national culture and form strong sense of participation. The Resident groups of tourist destinations should be included in the tourism decision and benefit sharing system to coordinate the relationship between stakeholders by fully listening to the views of residents to really become the beneficiaries in ethnic tourism development.

3.3.2 The cultivation of different attitudes of residents

In the analysis of the survey data[1], the residents' attitudes of ethnic tourism are divided into four types ignoring, rational supporters, optimistic supporters and blind supporter. The rational supporters have expressed cautious support for the status of tourism development and they are not completely satisfied. When the negative effects of the ethnic tourism development gradually know by ethnic groups, the resulting attitudes of residents will be continuous differentiation along with the development of national tourism. This paper illustrates the measures to foster positive attitudes to four kinds of residents in the frontal investigation and expect to give reference to cultivate positive attitudes in different tourist destinations and ethnic groups.

Category A: ignoring

These kinds of people are not concerned about effect of ethnic tourism and keep a mild attitudes to the positive impact of ethnic tourism. While the groups recognize the tourism promote local economic development, but they are indifferent to the others impacts and even basically no understanding on the negative impact of ethnic tourism development. This type of people should be educated on not only understanding the value of ethnic tourism but also actively participating in the development of ethnic tourism to gain opportunities contacting ethnic tourism ,working in ethnic tourism industry and to achieve the economic benefits in ethnic tourism.

Category B: cautious supporters

Such residents continue to support the development of ethnic tourism, but they don't highly concern about tourism impact and not fully understand the negative and positive impact of ethnic tourism. They are low incomes, from long distance to the tourism resources, low educational levels and the low dependence degree on ethnic tourism, so they often consider personal livelihood and pay little attention to their living environment, tourism development, social development, etc.

This kind of people should be educated on not only understanding the positive influences of ethnic tourism but also actively participating in the development of ethnic tourism, such as creating some tourism employment opportunities for them because of the long distance from the tourism resources, compensating the subsidies to them for the ethnic tourism investment related costs, applying for government subsidies to reform their own folk house for gaining tourism economic benefits.

Category C: optimistic supporters

The residents are mainly of young, great contact with tourism, feeling more positive impact on ethnic tourism which weakens its negative effect on the cognition, very optimistic about ethnic tourism and high support for ethnic tourism. Although they give high support for ethnic tourism and show enthusiasm to tourists, they should be strengthened on their understanding and experience to negative effects of ethnic tourism development through education, publicity and other means and educated to fully understand influences of ethnic tourism and establish the concept of sustainable development of ethnic tourism.

Category D: blind supporters.

The residents highly agree with positive effects of ethnic tourism and don't agree with the negative impact essentially. They keep positive attitudes toward the development of ethnic tourism and very satisfy with the present situation of ethnic tourism development, but their supports are very blind because of ignoring the negative impact of ethnic tourism the development.

They should be strengthened on not only their understanding and experience to negative effects of ethnic tourism development through education, publicity and other means, but also participating ethnic tourism industry to experience the negative influences, especially to cognize ethnic culture transition , to sense the value of ethnic culture and form the awareness of sustainable development.

04. CONCLUSIONS

How to focus on the interests of residents to exploit ethnic tourism , which should connect ethnic tourism development with local resident groups and establish the cultivating strategies of residents' positive attitudes to promote tourism in ethnic tourist area, obtain the harmonious atmosphere of ethnic tourism , to promote and achieve the sustainable development of ethnic tourism destination.

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[20]

BENELUX IN SRI LANKA TOURISM: THE PERSPECTIVE FOR THE FUTURE- LEARNING FROM THE PAST

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Abstract

The BENELUX [Belgium, the Netherlands and Luxemburg] has been an important region in the current tourism sector of Sri Lanka. The purpose of the study was to investigate the following questions. Why the Benelux region is an important tourism market in Sri Lanka? Are Sri Lankan hotel prices competitive enough for them to sell in this region, compared to other destinations? Are the current government efforts that have been implemented adequate enough to promote Sri Lanka as the demanded tourist destination in this region? What are the plausible solutions for this scenario? The research was mainly carried on with primary data using the collection of data through a questionnaire together with secondary data. It was given to the regions' travel organizers to be filled. The primary data was collected out of 20 travel specialists in the Benelux region (Sample group). In total, there are around 80 travel agents and tour operators in the Benelux, where the sample group was around 25%.(20) .The research revealed that most of the tour organizers disagreeing each to the fact that the arrivals from the region has increased after the ending of the civil war, but also to the fact that it had remained the same or decreased.. Importantly it was noticed also that Sri Lanka is still a sellable destination for the majority of tour organizers, considering that the hotel rates has been increased after the war period. In addition, this research found out the lack of Sri Lanka government participation or marketing in the region for tourism. Suggestions included giving workshops and presentation to the region's agents, organizing familiarization tours for travel agents to visit Sri Lanka and also to restart the tourist office in the Benelux region. Unless, these policy measures are implemented, it would be impossible for Sri Lanka to receive 2.5 million tourists by the end 2016.

Keywords: *tourism, organizer, Benelux, destination, promotion, branding, prices*

01. INTRODUCTION

AN OVERVIEW OF THE COUNTRIES

²The kingdom of the Netherlands (commonly referred to as Holland or the Netherlands) is a country of 41,528 square Kilometers and located on the North Sea bordering Belgium on the South, and Germany on the East. Located in the moderate maritime climate, all the countries in Benelux experience clearly four seasons throughout the year while the temperatures range from 28 ° in the summer and dropping below even the freezing point during the winters.

The annual per capita GDP [ppp] is over 40,000 \$ estimated in the year 2012 for the Netherlands,³ making it one of the 20st richest countries in the world. Also according to the Organization for economic cooperation and development [OECD] Better Life Index, the Netherlands is ranked as the 08th best place to live and work for the year 2012.⁴

⁵Looking at the tourist arrivals to the Netherlands, in 2011, there were 11.29 million visitors who visited to this flat land. Comparing this with the 2010 figure of 10.883 million, it is a 4% increase. Most of the tourists came from the countries of Germany, Belgium, United Kingdom and from the USA. Outbound holidays from the Netherlands also have taken a prominent role. In 2011, records suggest that 18.6 million inhabitants in the Netherlands who travelled abroad as visitors. On the other hand, 2010 experienced a departure figure of 18.4 tourists from the country which shows a 1% increase for the period of 1 year. Most visitors outbound from Holland chose Germany, Belgium, France and Spain as their holiday destinations in the year 2011.

The kingdom of Belgium is located in North West Europe and is a small country of 30,528 square kilo meters. Bordering the Netherlands from the North, Germany from the East, France from the South and the grand duchy of Luxembourg in the South East, Belgium is strategically located between Europe's economic and urban 'backbone' to the south and the world's primary seaboard, the North Sea, to the north. There are 3 regions in Belgium which are the Brussels-capital region in the centre, Wallonia in the southern part of the country and Flanders which is located in the northern part.

² <http://www.factmonster.com/ipka/A0107824.html>

³ <http://www.cbs.nl/nl-NL/menu/themas/bevolking/cijfers/extra/bevolkingsteller.htm>

⁴ <http://www.theguardian.com/business/2013/may/28/worlds-happiest-countries-oecd-australia>

⁵ <http://www.nbtc.nl/nl/homepage/cijfersentrends/algemene-cijfers-toerisme.htm>

Belgium is a small country with a large population of over 10.5 million residents. The annual per capita incomes of the Belgians were \$ 44,490 according to the World Bank statistics in 2012 with an annual GDP of \$ 483.7 billion⁶. This makes her a high income country, with one of the high GDP per capita incomes in the region.

Looking at the Belgium tourism bureau statistics,⁷ in 2011, there were 11.43 million tourists who visited Belgium comparing with the figure of 10.85 million in the previous year. Most of the visitors were from the Netherlands, France, Germany and Great Britain. Considering the Outbound visitors from Belgium for the year 2011, we see that it was 9.27 million⁸. More Belgians visited the countries of Netherlands, Germany, France and Spain for their outbound vacation during the period of concern.

The grand Duchy of Luxembourg is the smallest country in the region of Benelux with a land area of 2586 square kilo meters consisting of 511,000 inhabitants⁹. Bordered by France in the south, Germany on the east and Belgium on the north and the west, Luxembourg is the only landlocked country in the region. Its size is slightly less than that of the entire Western province of Sri Lanka. (3709 square kilometers). Luxembourg City is the capital of this land, which is also nick named “Gibraltar of the North”. With a population of merely 94,000, Luxembourg City is considered as one of the 3 administrative capitals in Europe together with Brussels and Strasbourg. Most of the residents speak fluent French or German.

Reckoned as having the world’s highest per capita GDP income, Luxembourg is one of the richest countries in the region. In 2011, it was considered that Luxemburg had a per capita income (nominal) of USD 115,000 which is 3 times higher than that of the European Union average¹⁰. Also the highest minimum legal salary in the whole of EU is paid in Luxembourg, which stood in 2013 as \$ 2404 per month for the unskilled employers above 18 years.

⁶ <http://data.worldbank.org/country/belgium>

⁷ http://www.toerismevlaanderen.be/sites/toerismevlaanderen.be/files/assets/documents_KENNIS/cijfers/XL2_012/2_evolutie_OV_logies_08-12.pdf

⁸ <http://www.indexmundi.com/facts/belgium/international-tourism>

⁹ http://www.wen.uni.lu/welcome_to_luxembourg/facts_and_figures/key_facts

¹⁰ <http://www.eupedia.com/luxembourg/trivia.shtml>

Luxembourg clients are high spenders which are also reflected by looking at their annual per capital income. ¹¹In 2011, the outbound tourists from Luxembourg spent USD 3796 million comparing with a value of USD 3515 million the previous year. ¹²Also 49.6% of the population at least made a holiday abroad for at least 4 days as at 2006, which makes a Luxembourgian one of the leading travelers in Europe. In the year 2006, the major arrivals to Luxembourg were from the Netherlands, Belgium and Germany .The Netherlands accounted for 38.5% was the biggest inbound market. The outbound market in Luxembourg accounts for about 98% of the total tourism in the country. Looking at the statistics in 2006, France, Spain and Italy were the main outbound destinations of the Luxembourgian which accounted for about 41% of the abroad trip..

02. LITERATURE REVIEW

According to the World Tourism Organization (UNWTO), tourism is defined as the “temporary, short term movement of people to destinations outside the places where they normally live and work, and their activities during the stay at these destinations”. It is also defined as the “the sum of the phenomena and relationships arising from the travel and stay of non-residents, insofar as they do not lead to permanent residence and are not connected with any earning activity” (Hunziker and Krapf ;1941). Usually people travel to places outside their residence either in their home country or abroad which is categorized as domestic and international tourism. Different people travel for various reasons such as for leisure, business, visiting friends and family, pilgrimage, shopping or even for sports. This has made tourism, named as an industry, at least by those who involved in the marketing and the development of tourism. However Thomas Lea Davidson argues that travel and tourism is not one industry, but a collection of many¹³ (Theobold; 2005). He further argues that considering tourism as one industry might bring much confusion to the reader as well as the analyst.

¹¹ <http://knoema.com/atlas/Luxembourg/topics/Tourism/Outbound-Tourism-Indicators/Outbound-tourism-Travel>

¹² <http://knoema.com/atlas/Luxembourg/topics/Tourism/Outbound-Tourism-Indicators/Outbound-tourism-Travel>

¹³ http://www.sciencedirect.com/science?_ob=PdfExcerptURL&_imagekey=3-s2.0-B9780750677899500078-main.pdf&_piikey=B9780750677899500078&_cdi=279003&_user=10&_acct=C000228598&_version=1&_userid=10&md5=9a6aea18388261a1e7ce2a87250d77df&ie=/excerpt.pdf [RELATED TO BOOK AS MENTIONED]

Further the UNWTO states¹⁴ that the tourism industry is the world's fastest growing industry and is experiencing a continuous growth worldwide. Over the past six decades, we saw that tourism had grown leaps and bounds, and many new emerging markets have sprung up except for the traditional markets of Europe and America. A large number of destinations have opened up in the tourism industry and for tourism related investments so that they would earn the benefits of export revenue, job creation and advantages through infrastructure development. We saw that the worldwide tourist movements was 25 million at the end of world war I, which further rose to 278 million in 1980 , 528 million in 1995 and currently in 2012 the world tourist arrivals had stepped above the 1 billion, standing at 1.035 billion. Meanwhile, 5-6 billion tourists travelled domestically in the year 2012. This is a key factor which strongly gives evidence that tourism is indeed growing beyond limits, except when there are occasional socio-political and environmental disturbances.

As Sri Lanka is a part of South Asia and one of the known tourist destinations in the region, it is important that a study is carried out on the impact of Sri Lanka having on her potential tourism generating markets.

Sri Lanka is country of 65,625 square kilometers, and is one of the world's 34 islands which have been recognized as having rich environmental bio diversities (Ganewatte 2012; 45). Also there are different kinds of attractions of Sri Lanka, which represent both her natural beauty as well as her cultural values. Some of these places can be reckoned as Sigiriya, the Palace of king Kasyapa and also reckoned as the 08th wonder of the world by the UNESCO¹⁵. Anuradhapura is the most ancient capital in Sri Lanka running back to 4th century BC, and is a famous touristic city with her many temples, also known as “dagobas” and historic ruins. The sacred Fig tree in Anuradhapura is considered to be the oldest tree in the world, and is the southern branch of the tree in which Lord Buddha was enlightened in Bodha Gaya in India. Sri Lanka also is having the Singharaja rain forest and is the last remaining virgin rain forest in the country.¹⁶ Arugambay is a small coastal village in the Eastern province of the island, and is recommended by Lonely Planet as one of the best beaches to surf¹⁷, and CNN traveler recognizing it as one of the 50 best spots in the world to surf¹⁸. Mirissa is a top place together with Kalpitiya in the West coast to see dolphins and whale watching. This was

¹⁴ http://dtxtg4w60xqpw.cloudfront.net/sites/all/files/pdf/unwto_highlights13_en_hr_0.pdf

¹⁵ <http://whc.unesco.org/en/list/202>

¹⁶ http://www.sinharaja.4t.com/pages/what_is_sinharaja.htm

¹⁷ <http://www.lonelyplanet.com/sri-lanka/the-east/arugam-bay>

¹⁸ <http://travel.cnn.com/explorations/play/worlds-50-best-surf-spots-250983>

discovered in the recent half decade, where now Sri Lanka is recognized also by the international media as one of the best countries in Asia to dolphin and whale watching¹⁹. Yala national park is considered the second largest national park, located to the South West of Sri Lanka. This national park is considered to have the most sightings for elephants and leopards.²⁰ These are some of the most important attractions in Sri Lanka, which makes her set to become one of the important tourist attracting destinations. A number of other reasons are also making a tourist decide why they should travel in a country like Sri Lanka (Ganewatte 2012; 47). These include hospitable people, prevalence of sporting activities which shows adventurous components, different hotels which provide various kinds and levels of services, food specialties, local food cuisine and shopping. A combination of all of these would be needed for the tourist to get a good impression about the country.

The country is also recognized as a hotspot for the tourists, because it offers certain attractions and activities which nobody else in the world can offer. This is what makes Sri Lanka special among the other rival destinations, and which is also important in branding the country in foreign forums. Sri Lanka is a country which has 12 festivals in the 12 months somewhere in the country, which no other country is currently having. Also, according to the ancient traveler, Marco Polo, Sri Lanka is the finest tourist destination of all countries. (Ganewatte 2012; 47). Also we have not seen any other country in the world, which has having a variation of temperature from 14 C°-36 C° and various climatic zones in a land area such as Sri Lanka and within a maximum travel distance of 4 hours to experience the temperature difference. (Ex :Tissamaharama to Nuwara Eliya). Sri Lanka is the only country except in Africa, where the “Big Five” can be see which includes the blue whale, sperm whale, Asian elephant, leopard and the sloth bear.²¹ Even though India and Singapore are strong competitors for the Big Five in the region, the absence of whale spotting in both countries makes Sri Lanka the only country for big game safari’s outside Africa.

The Benelux region has had a rich colonization history in former Ceylon and has been a major trading partner with Sri Lanka in the post trade liberalization era. Therefore, Sri Lanka has been having the opportunity to exhibit various attractions and activities which will especially influence this market. The Galle Fort, which was built initially by the Portuguese

¹⁹ <http://www.telegraph.co.uk/travel/destinations/asia/srilanka/8453749/Spotting-blue-whales-in-Sri-Lanka.html>

²⁰ <http://www.naturalworldsafaris.com/wildlife/big-cats/leopard.aspx>

²¹ <http://www.stuff.co.nz/travel/themes/adventure/9225599/7-places-to-see-big-game-outside-of-Africa>

in the 16th century, was modified and fully constructed in the Dutch architectural style by the Dutch during the 17th century, until the end. Together with Galle, the small but important Dutch forts or their remnants of Negombo, Kalpitiya, Jaffna and Batticaloa are constructions which point out to the roots of ‘The Netherlands’ empires’ influence in Sri Lanka. Wolvendaal church in Pettah, the Dutch Hospital shopping complex in fort, Grote kerk in the Galle Dutch fort, Cayman’s gate Belfry in Pettah, churches in Matara and Kalpitiya are some of the protestant religious buildings which were planned and constructed during the Dutch era²². The Hamilton Canal was built by the Dutch for transport and logistics of cinnamon and other tradable items to the Negombo Lagoon and further to Colombo. This canal is now used as a tourist attraction by providing boat trips and also in the Muthurajawela swamp nearby. The Dutch and the Belgians love cycling as their land is mostly flat land. Together with the attractions, there is the possibility of having cycling tours in the cities of Polonnaruwa, Anuradhapura, Galle, Tissamaharama and Ratnapura with experienced guides and the provision of safety equipment..

Tourism is considered as a people’s industry as well as a hospitality trade (Ganewatte 2012; 23). Being Hospitable is to make the tourist happy or feeling at home by providing a warm and a friendly environment, whatever the supply mode is. This can be done in any one of the supply mode of tourism such as hotels, food and beverage, facilities related to enjoyment and in other auxiliary services. Sri Lanka is renowned as a hospitable nation from the early days. Professor Waleboda of the Colombo University states that “When we were small, we learnt always to greet the tourist with a friendly smile. Not many Sri Lankans do that in the recent past”. The Director General of the State news corporation adds his view on the same matter by saying “Today, a person in Europe can go to any country in the EU riding his vehicle without any restrictions. He only needs the vehicle and the fuel. The same person who is using one currency and using one passport and associating with different nationalities in the whole of Europe can arrive to Sri Lanka in one flight. This tourist is expecting the same feeling of hospitality from us. Therefore we have a social as well as a individual responsibility of realizing how to treat the tourist in a hospitable and a genuine manner during his stay. This is especially applicable when handling the tourist from Europe.

²² <http://wolvendaal.org/>

Tourism Branding and Marketing is being done both through the public sector and the private sector. Branding requires a context where the audience applauds the fact for what your country can offer the visitors²³ (Cromwell 2013;1).The governments of the destinations also have to play a major role in marketing their products .Some of the key items where a government can do to promote tourism is building basics in infrastructure facilities conducive to the tourist arrivals, maintaining a peaceful environment in the country, implementing proper ways to dispose garbage collected daily with a proper mechanism, provide deregulated guidelines to the aviation sector, agreements with different airlines for direct services and the provision of the freedoms of the air, maintaining the standards of the provision of tourism related services when the private sector provides it by implementing regulations. By providing the incentives for the private sector and encouraging the private sector for private-public partnerships which will give benefits in the long run.(Ganewatte 2012; 27)

Sri Lanka was branded as the “Land like no other” over the past 10 years, during the war. Just after the war ended in 2009, there was the policy change that Sri Lanka has to be brand herself again in a new name, so that the clientele would be attracted. After much discussion and choices, it was rebranded as the “Small Miracle” in the year 2010. Currently, the brand name has already been changed again to “The wonder of Asia. A country’s brand should be remembered by the market tour organizers in the long run. If the country is changing the brand name regularly, this would not help the specialist to recognize the importance of the destination and would ultimately result in a lower number of tourists. Other countries such as Malaysia “ -Truly Asia”, India -“ Incredible India”, Indonesia- “Visit Indonesia” and Thailand -“ Amazing Thailand” are some of the longstanding tourism captions that the South Asian and the South East Asian rivals have used to gain more and more tourists to their own lands. (Ganewatte: 2012; 99).

In year 2010, an airport survey was done by the Sri Lanka Tourism Development Authority (SLTDA) to evaluate the performance of their international market. It was revealed that less than 10% of the international tourist arrivals come to Sri Lanka because of Sri Lanka Tourism’s participation in different road shows and international travel fairs. Most of the tourists visited the island, simply because of the word of mouth, directly or indirectly, from their relatives, friends or colleagues who had travelled to Sri Lanka before. This percentage was around 60%, and the SLTDA accepts that more tourism promotions should be done in

²³ http://www.diplomatictraffic.com/nation_branding.asp?ID=18

various international markets. (Ganewatte 2012; 91). Also Sri Lanka is a country which has all the potential attractions and activities that a tourist would like to visit or indulge in. Unless Sri Lanka portrays herself as “Special” unlike the other nations, tourists would not have the incentive to visit.

With the emergence of the BRIC countries (Brazil, China, India and Russia) and the recession of the traditional European markets, the government of Sri Lanka, has focused more on involving in marketing and branding in the BRIC region, rather than Europe^{24, 25}. The Ministry of Finance and Planning annual report in 2011 mentions the following. “The current tourism strategy is to attract tourists from India, China, Middle East, East Europe and Russia in addition to the traditional markets in Western Europe²⁶.” This point is further strengthened by the hotelier Anura Lokuhetti who says that Sri Lanka should not forget the traditional European markets but also move in to alternative markets such as Russia, China and India in Asia (Ganewatte 2012; 94).. This has systematically caused the budgets allocated for business promotion to further move away from the traditional markets and to further move towards Asia Pacific and Russia. This can have positive as well as negative consequences on the traditional markets, that Sri Lanka is receiving high spending clients. Therefore a systematic research is required to as whether such branding and marketing methods are relevant to Sri Lanka, and the possible consequences of such actions towards the traditional tourism markets.

03. METHODOLOGY

PARTICIPANTS

The participants who were taken data for this research were tour organizers in the Benelux region who already promote Sri Lanka as a destination for the clients in the respective country. They were being chosen again, because those are tour organizers who have at least a small knowledge on Sri Lanka’s attractions and activities. The participants were either tour operators, travel agents or both categories. In addition, two Sri Lankan diplomats of the

²⁴ <http://news.lk/news/sri-lanka/4390-sanath-appointed-as-sri-lanka-tourism-brand-ambassador>

²⁵ <http://www.sundaytimes.lk/130714/business-times/tourism-promotions-bureau-at-bite-2013-beijing-52160.html>

²⁶ <http://www.treasury.gov.lk/reports/annualreport/annualreport2011-eng.pdf>

relevant embassies in the Benelux region were also involved in the research through a face to face discussion. Graph 4 will show the variation of the participants.

MATERIALS & PROCEDURE

First, key questions highlighted in the abstract were included in the questionnaire and decided to be used as the method of data collection. The research was mainly done using the primary data obtained from the tour organizers in the Benelux region. The primary data questionnaire included questions on the areas covering the Benelux arrivals to Sri Lanka after 2009, Sri Lanka government efforts up uplift tourism being evaluated, expecting future trends for the tourists departing to Sri Lanka from the region and on the notion of tour organizers on Sri Lanka tourism's long term objectives and plans. The primary data was collected out of 20 tour organizers in the Benelux region (Sample group). In total, there are around 80 travel agents and tour operators in the Benelux, where the sample group was around 25%.

Secondary data was also used of the study purposes, which include sources from the UNWTO, SLTPB, SAARC secretariat, IATA (International Air Traffic Association) diploma hand book and various country profile publications from the Benelux region. In a local context, 4 books which were written on subjects such as tourism planning and management, challenges faced in the Sri Lanka tourism industry together with a book published on various excerpts from tourism officials during a recent press conference held in Colombo. The questionnaire was sent through email, to the relevant tour organizers in the Benelux. However, some of the questionnaires (4/20) were collected by hand, as a hard copy version, from the Benelux itself. The questionnaires were analyzed manually so that the answers of the tour organizers can be categorized in to different levels. The analysis was done manually since the sample size was small.

04. RESULTS

Out of the sample size of 20 tour organizers, 12 were working as tour operators while 2 were working as a travel agent. Similarly, there were 5 companies who worked both as a tour operator and a travel agent. One agent did not respond to the question.(Graph 4)

There were 5 tour organizers who promoted Sri Lanka combined with 1 or 2 other destinations, which meant that those are Sri Lanka specialists. According to my knowledge,

out of the 5 mentioned, 3 are heavily promoting Sri Lanka, specifically through their websites.

There were 4 tour organizers, who marketed and promoted less than 10 destinations and 11 were promoting more than 10 destinations worldwide.

There were 3 tour organizers who were promoting Sri Lanka as the only destination in South Asia. Those are the same organizers which were mentioned, who specifically focus on promoting Sri Lanka as an important destination. 17 other organizers had other destinations in Asia, which they promoted together with Sri Lanka. These organizers include one tour operator who is an India holiday specialist.

It was mentioned earlier that the Sri Lanka civil war ended in 2009. Therefore the question was asked when these tour organizers have started to promote Sri Lanka. 3 out of 20 travel organizers had started promoting Sri Lanka before 1 year, which meant that the destination was new for them. 5 replied by saying that the Sri Lanka has been sold as a tourist destination from 4 years back, owing to the fact that the war ended. Majority of the sample size, 12, had continue to promote Sri Lanka even during war time. One respondent said that they sold Sri Lanka to their clients in 2005-2008 and again have started promoting from 2013 onwards.

Together with the promotion of Sri Lanka, the question was asked on the rate of change of clients departing for a Sri Lankan holiday, from the tour organizers during the last 3 years. The answers were all on the equal basis where 6 each of all correspondents replied saying that the number of clients have increased, decreased and remained the same. The answers from different tour organizers were different. Two did not respond to this question.

Sri Lanka was chosen as a holiday destination mainly because of the combination of nature and culture (11 participants). The Beauty of the country and the beaches were also the reasons the travel specialists promote Sri Lanka as a holiday island. The least incentives for the clients to visit the island were the colonial Dutch influence and the airline connections.

Majority of the Tour organizers though that Sri Lanka is a country which can be visited all year around (18) and 2 disagreed saying that the country has a specific period of travel.

For the question on why Sri Lanka is special among the other destination to be marketed, most tour organizers replied by saying that it is the big variety which can be seen in a small country. Also they replied by saying that Sri Lanka is giving back the value for money that the clients pay. The location of Sri Lanka closer to the Maldives helped the clients to

combine two destinations at the same time, which was another answer. The Sri Lankan specialist in Belgium had a different view by disagreeing and saying there is no value for money in Sri Lanka compared to other destinations such as Cambodia, Thailand, India and Vietnam.

Most of the tour organizers thought that the Sri Lankan people are friendly (17) while 2 correspondents said that Sri Lankans are sometimes too friendly.

Currently, Sri Lanka was still a sellable destination compared to other destinations in the region. This was revealed by 16 tour organizers. However, 2 specialists who focus mainly on Sri Lanka as a destination disagreed by saying the island is not a sellable destination anymore, compared to her rivals. The tour organizers, who mentioned Sri Lanka is a sellable destination, reasoned their decision over the major facts that Sri Lanka prices are cheaper than Malaysia and Indonesia, availability of good hotels and culinary and the value for money factor. On the other hand, the tour organizers who said it is difficult for the country to be sold in the Benelux market, mainly reasoned out commenting on rates of hotels, entrance fees and also the transport rates being high compared to other destinations like Thailand and India specially during the last few years. Some other was of the opinion that the country is still sellable, but the prices are rising sharply. One respondent said that he is happy that the prices are increasing because then Sri Lanka can be a more professional touristic destination.

Most tour organizers (11 from the sample) did not reply to the question on how much the hotel prices of Sri Lanka have increased compared to other countries. From the recipients that answers were received, 7 replied saying that the increase was above 20% specially from the individual hotel rates and one tour organizer said that the rate increase was less than 8%, comparing with rival destinations.

Most of the tour organizers were of the opinion that current Sri Lanka hotel prices would remain the same (11) while 9 agreed that the rates should further lowered in order to improve the tourist arrivals in the future.

With regards to the local DMC competition in the Benelux, Luxembourg tour organizers agree that there is a low competition in their country (2 from sample of 2 in Luxembourg). Belgian tour organizers thought still there is opportunity for the DMC's to tap the market since 4 out of 6 in Belgium, replied that there was low competition. However the Netherlands tour operators generally thought there is heavy competition in the market. (7 out of 12 in sample from the Netherlands).

The important question was asked, whether the tour organizers believe that the Sri Lankan government will achieve its long term goal by bringing in 2.5 million tourists in 2016 to the island. 50% of the sample sizes, 10, disagree by saying that this is not possible, while 25% agreed on the fact that it is possible. 5 correspondents did not reply to this query. The tour organizers who replied by saying that is impossible, gave the reasons as to why they gave such answer. Crisis in Europe, Affordability, competition with other rival countries and the goal being unrealistic were the main reasons. The tour organizers who agreed to the fact that the government of Sri Lanka can bring 2.5 million tourists reasoned out saying that economic growth in Asia will help more tourists come to Sri Lanka, rising of the demand of clients travelling to Sri Lanka and the opportunity of traveling to a safe country after the war. Three tour organizers had the opinion that they do not like the fact that Sri Lanka would have 2.5 million tourists in 2016 because that would cause mass tourism in the country and the unspoilt nature will be completely gone like in other famous touristic countries. This idea was also suggested by a Sri Lanka specialist in the Netherlands. Sri Lanka specialist in Belgium had the view to say that the island nation did not get 1 million tourists in 2012, especially owing to the fact that it was a overemphasizing of the government with the inclusion of transit passengers in Colombo.

Another important aspect was revealed through the satisfaction of the tour organizers on Sri Lanka governments effort to promote tourism. 7 out of the 12 sample size in the Netherlands disagree saying the government tourism marketing is limited or not existent. 3 were of the view that it is seen in the local media and up to a standard. 2 did not respond this query. Tour organizers in Belgium had equal views on the government promotions where 3 each replied with opposing answers. Sri Lankan specialist in Belgium was also of the opinion that the promotion of the government is not enough in Belgium. The whole sample size of Luxembourg of 2, were not satisfied with the government promotion related to tourism in the country. Overall 12 tour organizers (60%) were not satisfied with the government activity in the region.

The travel organizers who disagreed mentioned that there is no promotion to be seen, the embassies are not in contact with the agents, and not much marketing is being done about Sri Lanka in the media. A Sri Lankan specialist blamed the government saying “they do nothing”. 2 tour organizers were of the idea that they are not dependent or on the watch out for government marketing activities and they are carrying on with local DMC assistance. One

travel organizer said that the marketing tools are old fashioned and that the ones being used 30 years back are still being reused for tourism promotional activities in the region. Not targeting the right tourist was also a comment. Some of the correspondents agreed to the fact there was government promotions due to hearing the publicity of the country in local media, and the good communication with the Sri Lanka Tourism Authority.

According to the 2012 SLTDA data, the Netherlands have 9th spot, Belgium on 16th and Luxembourg stands at 98th positions with regards to arrivals (Graph 1). Tour organizers were asked the query whether the respective country would become under the top 10 arrival destinations for Sri Lanka. 12 out of the 10 participants in the Netherlands had a positive reply on this, including the 3 Sri Lanka specialists. However 5 out of 6 tour organizers did not think that Belgium would become under the top ten destinations, including the Sri Lanka specialist in the country. The same scenario was applicable for Luxembourg where the reply was negative for Luxembourg becoming under the top 10 destinations.

05. ANALYSIS & DISCUSSION

It is proved from the results of the questionnaire, that not many tourism specialists promote Sri Lanka from the sample size. However, there are about three to four key tour organizers in the region who exclusively promote Sri Lanka individually or together with several neighbouring destinations. This is a huge advantage for Sri Lanka tourism.

Most of the tour organizers have supported Sri Lanka even during the war time. Even though the arrival figures are low, clients have been interested to travel to Sri Lanka even when the war was raging. Also new tour organizers have been emerging in the Benelux market after 2009 (7 out of 20 in the sample) accounting to 35% of the sample population. This helps us to think that the demand for Sri Lanka is increasing as a new destination from the Benelux. This factor is not properly guided by the tour organizers' performance. For some organizers, the number of clients visiting Sri Lanka has increased, while for other it is decreased or remain the same during last 3 years.

The culture, nature, beauty and the beaches of Sri Lanka should be kept the same way for the tourists who will visit our country in the long run, since these are the main factors they are attracted to the country. If we do not preserve these heritages, then Sri Lanka will soon

become a mass touristic and dirty destination. Naturally, we have been given the potential to see various attractions in a small land area, which is also making Sri Lanka special. The geographical location of the island is also paving the way the tourists to visit, which can be combined with a nearby destination such as India or Maldives.

Sri Lanka is still a sellable destination for the tour organizers in the Benelux, but their request is for the prices of the hotels to be decreased in order to gain more tourists in the long run and to achieve the government's long term ambition. It is very encouraging to hear that Sri Lanka is demanded by the Benelux clientele and sellable, but the prices can cause a decrease in the future arrival figures.

There are some other suggestions in order that Sri Lanka can improve her tourist arrivals from the region. Some of these are starting a Sri Lanka Tourism office in Benelux region, having workshops and presentations for the regional tour organizers, promoting the website of Sri Lanka Tourism in the Benelux, organizing familiarization trips for the potential operators to Sri Lanka, providing information to travel agents during the regional fairs not only on the business days but also on other days of the fairs, getting involved in regional television promotions, having a separate Sri Lanka tourism stand at regional fairs (not together with private companies), focusing mainly on promoting the north and the eastern part of the country which could not be travelled before, promoting experiences instead of photos of attractions are some of these steps according to them. By properly implementing these measures, this will help Sri Lanka tourism to achieve her targets less than the expected time. Also it is time for the policy makers not to forget the traditional markets like Benelux in Western Europe. It is suggested that a sufficient budget is also allocated to the Benelux, while Sri Lanka Tourism is pursuing new markets.

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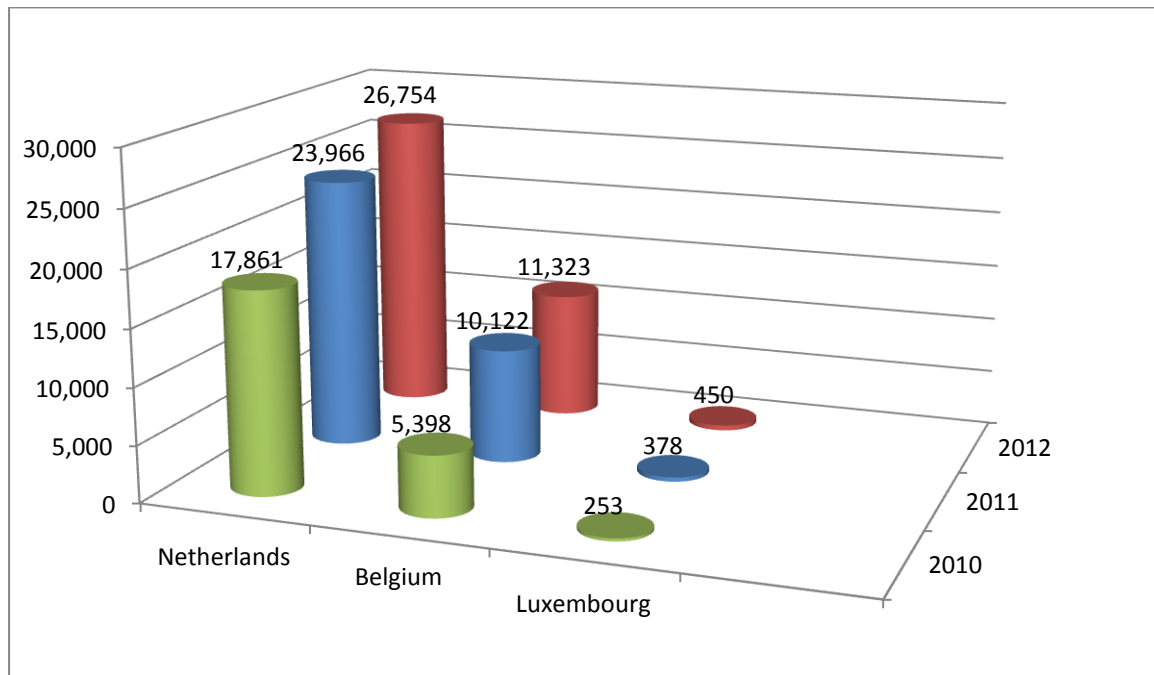
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APPENDICES

Year	2008	2009	2010	2011	2012
Arrivals (‘000)	438.47	447.89	654.47	855.97	1006.0
% growth from previous year	-11.2	+2.1	+46.1%	+ 30.8%	+ 17.6

Table 1- Incoming tourist arrivals to Sri Lanka 2008-2012

Source- Sri Lanka Tourism Development Authority Statistics



Graph 1- Tourism volume from the Benelux to Sri Lanka 2010-2012

Source- Sri Lanka Tourism Development Authority Statistics

[21]

IMPORTANCE OF RISK PERCEPTION IN CHOOSING A TOURIST DESTINATION: THE CASE STUDY OF THE ALGARVE (PORTUGAL)

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Abstract

Security and safety has proved to be a crucial factor of competitiveness of destinations and, simultaneously, decisive in the image and in the decision-making process. In reality, the issue of security and safety has become in recent years a strategic stake in the construction of a destination's image and in the quality of the tourist experience.

This article introduces and analyzes the results obtained from two questionnaires applied to a sample of 1.223 tourists who arrived and departed from Algarve through the airport of Faro (district capital of the Algarve – Portugal). One of the main objectives was to perceive and analyze the existence of a potential relationship between tourism and the risk perception in choosing Algarve as a destination.

Participants in this research fall into two categories: Those who are familiar (repeaters) with the destination Algarve and those arriving for the first time, both considered at departure and arrival at the airport. Significant differences were found in the risk perception of the tourists arriving vs those who depart and those who are very familiar with the destination vs. those who arrive for the first time to the Algarve.

01. INTRODUCTION

Traveling involves leaving a "comfort zone" to experiment new realities that are not always safe. The risk perception is a strong indicator regarding the choice of destination, insofar as it constitutes a relevant aspect of the intrinsic characteristics of the tourist product, as, for example, the intangibility. Often, the tourists' risk perception is not based on concrete facts. However, this conditions the behavior of tourism demand and the decision of the destination choice (Taylor, 2006).

Nowadays, in choosing the tourist destination, tourists take into account the risk and security and safety assessment that the destinations offer. These end up being the main requirements of the trip and the ones that most easily "sell" the image of the destination (Mansfeld, 1992; Oppermann and Chon, 1997 cit in Mansfeld, 2006; Tynon & Chavez, 2006; Van Tran & Bridges, 2009). In fact, security and safety represents a set of measures and actions that go beyond the simple idea of putting police on the street or making sure that food is safe, that pandemics do not decimate an industry or that the locations reputation is not destroyed by panhandlers or prostitution (Tarlow, 2009).

The literature refers to a set of risks that have been successively applied to the tourism field of study. In this research we use specifically: the physical, health, financial, social, temporal, equipment, satisfaction, psychological, political, terrorism, crime, communication risk (Araña, 2008; Floyd Pennington-Gray, 2004; Han, 2005; Korstanje, 2009; Mawby, 2000; Morgan Dimmock, 2006; Oltedal, Moen, Kemple Rundmo, 2004; Reichel, Fuchs Uriely, 2007; Roelh Feisenmaier, 1992; Sönmez Graeffe, 1998a).

Risk analysis in tourism is associated with a set of factors that allow us to understand a greater diversity of perceptions in conjunction with certain tourist's characteristics (individual and travel): the life cycle, age, gender, personality type, origin and education (Gibson Yiannakis, 2002; Lepp Gibson, 2003; Pizam, Neumann Reichel, 1979; Reisinger Movondo, 2005; Roehl Fesenmaier, 1992; Sönmez Graefe, 1998b). In addition to the specific aspects of each tourist, the typology of travel, experience, familiarity and information, also influence the perception that tourists have of the destination (Kozak 2000 Rimmington; Lepp Gibson 2003; Sönmez, 1998; Sönmez Graefe 1998ab) and consequently the image of the destination.

The choice of the Algarve, as a holiday destination, is based primarily on attributes of the destination, which relate to the quality of natural (good weather throughout the year, good

beaches), infrastructural and cultural factors. The image of security and safety has been a crucial factor in choosing Algarve. In fact, Algarve has built a tourist image abroad of a "safe destination" or "haven" (Gandarra, 2004), compared to competing destinations that present a higher level of physical, political or economic insecurity (Brás, 2012).

In large part, Algarve's image is built based on the attribute of "good hospitality" and the quality-price ratio. We can say that the definition of Algarve's image has been based on what Laws (1995) called primary characteristics (climate, culture), followed by secondary characteristics relating to the quality of the hotel infrastructure and accessibility. Thus, its image has been associated with very positive reviews that reveal themselves as crucial in the decision-making process (Goodnick, 1978; Woodside Lysonki, 1989).

In the assessment that is made of Algarve, tourists value a wide range of aspects concerning their environmental, political, economical, social and cultural capacity/quality. In fact, these characteristics, particularly social and cultural, offer tourists the possibility of experiencing something that cannot be found in any other destination (Ritchie Crouch, 2003).

Most of the attributes of Algarve are linked to measurable and observable characteristics and, simultaneously, to more abstract characteristics based on the intangibility of tourism as product (Moutinho, 1987), where the risk perception assessment is framed. In fact, risk perception, security, safety, are the cognitive attributes that bring particularities and differences to the travel experience (Brás, 2012; Echtner Ritchie, 1993; Warrior, 2012; Jenkins, 1999).

Dimensions of risk perception

Notwithstanding the diversity of definitions proposed to explain the risk perception, there are two central lines of research: the *natural sciences* and the *social sciences*. The definitions of a more conventional, formal, quantitative, mathematical and probabilistic character, had origins in the fields of economics, engineering, statistics and physics. In this perspective, the risk refers to losses that can be reduced to a particular value (Slovic, Lichtenstein Fischhoff, 2000).

Studied for over 50 years, the concept of risk proved to be difficult to operationalize. The major reason lies in the fact that it is socially constructed and psychologically oriented (Slovic, 2000). In the social sciences there was a growing interest in the explanation of human response in relation to risks, which allowed some fields of the social sciences to

investigate the specific issue of individuals' perceptions or the community regarding the risk. Investigations suggest new components associated with the definition of risk, such as: *shock*, *threat*, *danger*, *control* and *uncertainty* (Althaus, 2005; Floyd, Pennington-Gray, 2004; Law, 2006; Sjöberg, 2000).

Although it is a term commonly used, the risk has itself various meanings on individual perspective and in historically different times. This fact led, as expected, to some controversy. However, the only certainty is that the risk is constituted as an integral part of everyday life and the decisions we make, individually or collectively. Historically, it was closely linked to the field of economy since the beginning of the twentieth century, more specifically in 1920, and became very important regarding the theories of decision-making and finances (Han, 2005).

The economic theory suggests that the term risk implies the sense of "loss" (Reisinger Mavondo, 2005, Sönmez Graefe, 1998b). Kaplan, Szybillo and Jacoby (1974) developed a risk taxonomy connected to financial, performance, physical, psychological, social and temporal loss. The risk, in a more economic-based line, can be seen from the perspective of cost-benefit. However, Slovic (2000) considers that this perspective is very much linked to the mathematical concepts, leaving out important individual aspects (such as, for example, motivation, experience, education and the social or cultural influence of the reference group).

According to Vlek and Keren (1991), characterizing the risk in a more objective perspective implies the use of formal definitions. However, we can address the definition of risk in a more constructivist perspective that takes into account the significance of its personal, social and cultural aspects, thus putting more emphasis on the subjective value. In this way, the idea of the multidimensional character of risk is reinforced, in the sense that, besides a numeric dimension, quantifiable, there is also a set of other qualitative aspects taken into account by individuals when they evaluate a "risk", namely: the familiarity, willingness, immediate or long-term effects, credibility of the people or institutions in charge.

The big difference between *real* risk (objective, rational, reviewed by experts) and *perceived* risk (subjective, irrational and evaluated by laymen) is important for understanding the issues related to the risk perception. The subjective vs. objective perception is emphasized by Slovic (2000) when carrying out the analysis of the risk perception between specialist and non-specialist. The author has found a number of discrepancies between the two views, where

experts gave emphasis to the risk as an expression of objectable characteristics, where the probabilities and consequences of an adverse event are usually taken as quantifiable. When experts give an opinion regarding a risk, this is evaluated from a technical point of view and the annual estimates of fatal cases. On the contrary, when done by a non-expert, a multitude of factors that do not exist, regardless of the people, their culture or thought, are taken into account.

An alternative perspective of the objective vs. subjective evaluation risk was given by Vlek (1981) of which the two perspectives are different, although centered on complementary aspects of the definition of risk: on one hand, objective settings and statistics, which are designated by *stimulus*, and on the other hand, the *response* settings, that is, those who consider the risk from the perspective of the observer. The authors stress that, in the case of the experts, the risk can be calculated by means of the selection, combination and quantification of a set of variables of the external environment.

A pertinent question that has been debated regarding the risk perception is the *acceptable* risk (AR). This concept focuses on the idea that there must be a criterion that allows evaluating, deciding or legislating, the degree of acceptability of a risk, taking into account the benefits or costs that it may bring. The acceptability of a risk can be closely linked to the perception and associated to the psychological and psychosocial dimensions, in the multidimensional sense, as mentioned previously (Fischhoff Slovic, Lichtenstein, 2000).

The conceptualization of risk allows different readings and interpretations, which, by rule, reflect a wide range of individual and environmental factors. The different perspectives of analysis take into account that the risk can be interpreted from the individual's point of view or by the scientific community. This risk does not exist when it is put aside, regardless of the social and cultural background of the individual, since it is only likely to be observed or measured when inserted in a given context that produces it (Slovic, 2000).

Dimensions of risk in tourism

Initially, the vast majority of studies involving the risk perception in tourism adopted five risk dimensions: the physical, social, psychological, financial and temporal. Later, there were other dimensions, namely, the political risk (Sönmez Graefe, 1998b). Roehl and Fesenmaier (1992) introduced the notion of health risk, political risk or political instability and terrorism risk.

More specific studies center on the relationship between risk perception and tourism, focusing mainly on concrete dimensions of risk: (1) physical; (2) health; (3) financial; (4) social; (5) temporal; (6) equipment; (7) satisfaction; (8) psychological; (9) political; (10) terrorism and (11) communication. Table 1 summarizes the main risks found in the literature review that are directly associated with tourism activities at various levels.

For Roehl and Fesenmaier (1992) the *physical risk* is important for tourists travelling to international destinations, as is the functional or equipment risk. The physical risk is perceived as the possibility of something going wrong during the trip, with negative consequences at the physical level, injury or illness. In this type of risk are included tourists victims of crime (Pizam, 1999; Pizam, Tarlow Bloom, 1997).

In the *health risk*, the perception is directly linked to the geographical areas that present a higher number of infections (e.g. Malaria, HIV), mostly developing countries or with certain climatic characteristics, for example, a tropical climate. Comparatively, Europe and the United States are perceived, according to studies, as being the safest areas to travel when it comes to health issues (Carter, 1998; Cartwright, 2000).

The *financial risk* relates to the idea that the money spent on the trip resulted in a bad investment (Yuksel Yuksel, 2006).

The *social risk* is defined by Roehl and Fesenmaier (1992) as being the possibility of choosing a destination, or travel, influencing and/or affecting the opinion that others have regarding those who do it and/or how the individual experiences it internally or externally.

Functional or equipment risk corresponds to the possibility of the occurrence of certain problems involving technical matters, mechanical or equipment failures (Tsaur, Tzeng and Wang, 1997).

The *temporal risk* has been identified as an important dimension and represents the fear that a trip to a given destination constitutes a waste of time with the preparation or with the chosen place (Roehl Fesenmaier, 1992).

The *risk of satisfaction* concerns the possibility of choosing a destination that does not correspond to the expectations created by the tourist. In one study, Sönmez and Graefe (1998a) concluded that tourists who avoid traveling to the African continent showed higher

values of the satisfaction risk perception. For this reason, some destinations are "excluded" from the travel intentions because they do not correspond to the tourist's "imaginary trip".

The *psychological risk* is understood as the possibility of a trip not fitting into the personality type of the tourist or reflecting their self-image. The authors also point out that in comparing domestic tourists (domestic or internal tourism) and international tourists, there can be major differences in the appraisal that is made of this type of risk (Roehl and Fesenmaier, 1992).

The *political risk and/or political instability* is/are important in choosing a destination and represent a risk with great impact on the tourism industry. Some authors (Fatehi-Sedeh Safizadeh, 1989; Fuchs Reichel, 2006) support the idea that there is no universal definition of political risk. This type of risk is considered as a possibility of there being a governmental (directly or indirectly) interference through governmental decisions or events that affect the ability to invest in a country.

The *terrorism risk* perception represents the possibility that a terrorist attack, of any type of motivation (political, religious, or other) may occur. Hann (2005) presented the *risk of communication*. This type of risk lies primarily in the effortlessness, or not, that the tourist can have in communicating. Communication can bring a feeling of well being, because they are understood, or, on the contrary, displeasure or stress.

Table 1 – Summary - type of risks in tourism

Type of Risk	Author	Description
Financial	Bontempo, 1997; Murphy & Enis, 1986;Cheron & Ritchie, 1982 <i>cit in</i> Han, 2005	The possibility of travel experience does not agree with the amount spent
Social	Han, 2005; Roehl & Fesenmaier, 1992	Possibility to affect the opinions of others
Psychological	Roehl & Fesenmaier, 1992	The trip may not reflect the personality of the tourist
Physical	Roehl & Fesenmaier , 1992	Possibility of the trip resulting in physical danger
Functional or Equipment	Tsaur, Tzeng & Wang, 1997	Possibility of the experience being affected by operational problems, equipment or mechanical
Environmental	Cheron & Ritchie, 1982	Possibility of natural or human damage
Timeline	Roehl & Fesenmaier (1992)	Possibility of the experience being considered a waste of time
Situational	Priest, 1992	Possibility of the tourist experience creating too many uncertainties for the tourist
Satisfaction	Sonmez & Graefe, 1998a	Possibility of the choice of destination not corresponding directly in terms of personal satisfaction
Communication	Han, 2005	(In) ability to communicate in the visited area
Health	Cartwright, 2000 Roehl & Fesenmaier , 1992	Contracting a disease caused by viruses or bacteria or by eating the local food
Political risk/ Political Instability	Fatehi - Sedeh & Safizadeh, 1989; Formica, 1996; Kobrin, 1979; Robock, 1971; Sethi & Luther, 1986 <i>cit in</i> Han 2005	Possibility of government interference having impacts on the economic activity, including also political instability, overthrow of government.
Terrorism	Fleischer & Buccola, 2006; Floyd, Gibdon, Pennington-Gray & Thapa, 2003; Mansfeld, 2006; Mawby, 2000, Pizam, Tarlow & Bloom, 1997; Sonmez, Apostolopoulos & Tarlow, 1999; Pizam & Mansfeld, 2006; Tarlow, 2000	Possibility of a terrorist attack by any type of motivation (political, religious, social, economical)

02. METHODOLOGY

For data collection, two questionnaires were applied created from the scientific validation of a scale of the risk perception in the Algarve (Brás, 2011). This scale allowed finding the distribution of components, being that the first factor explains a more enlarged fraction of the responses with a percentage of variance of 21% (eigenvalue of 4.887); the second factor explains 9.9% of the variance (eigenvalue of 2.268); the third factor presents 6.8% of the

variance (eigenvalue of 1.553); the fourth factor presents an explained variance of 5.7% (eigenvalue of 1.316). The fifth factor explains 4.6% of the variance. Finally, the sixth factor explains 4.5% of the variance (eigenvalue of 1,033). In total, the six factors explain 53% of the variance (Figure 1). This factorial structure was based on a value of KMO (Kaiser-Meyer-Olkin) of .862 and had a more meaningful result than the previous solution of three factors, in Bartlett's sphericity test (χ^2 23571.770; $df = 253$ e $p = .000$).

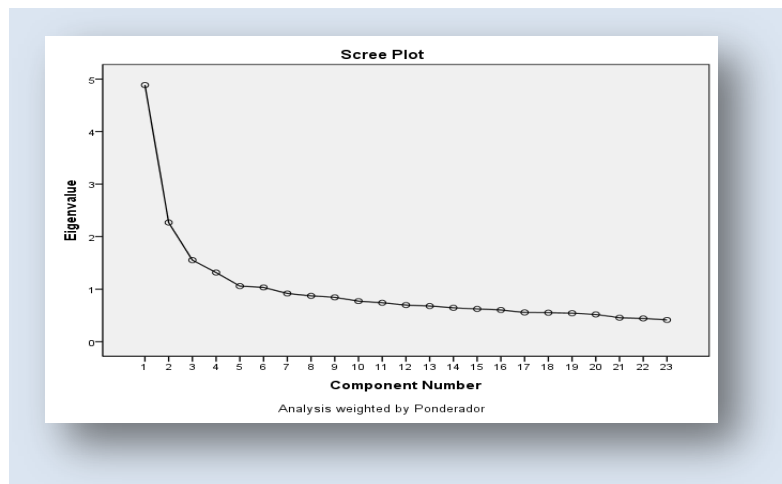


Figure 1 - Scree Plot - distribution of the components of phase 3

03. RESULTS

In this study, 1,223 individuals participated. Considering the specificity and representativeness of the countries of origin of tourists visiting the Algarve, for the calculation of the sample, the weighting factor (weight cases) was used, in order to approximate the composition of the sample to the characteristics of the universe under observation. The weigher allowed compensating the existing inequalities of the sample selection, as well as the adjustment of the distribution of the sample taking into account important variables for investigation, such as the tourists' country of origin.

The calculation of weighers had as its starting point the country of origin over represented in the sample collected (Table 2). Thus, for France factor 1 was set, being that upon noting the weighted sample ($n=123$), identical to the sample collected, a match in the percentage of the

sample identical to the universe was done (2.4%). From there, weights were calculated for the remaining countries of origin using the following expression:

$$\text{Weight} = (123 \div 2, 4\%) \times \% \text{ in the universe} \div \text{Sample Collected}$$

Table 2 – Sample collected and weighted

País de Origem	Amostra Recolhida	%	Universo (Movimento Passageiros)	%	Ponderador	Amostra Ponderada
United Kingdom	395	32,3%	2.501.847	60,7%	7,8	3.081
Germany	262	21,4%	530.755	12,9%	2,5	655
Ireland	219	17,9%	409.472	9,9%	2,3	504
Holland	139	11,4%	361.796	8,8%	3,2	445
France	123	10,1%	100.477	2,4%	1,0	123
Portugal	85	7,0%	217.482	5,3%	3,1	263
Total	1.223	100,0%	4.121.829	100,0%		5.071

The sample is composed of participants whose minimum age is 18 years old and maximum 82. The average age is 41 (\bar{M} = 40.41, $\bar{S.D}$ = 13.79).

With regards to gender, there is a prevalence of the masculine gender, 57.5%, compared to the female, representing 42.5% of the total sample. Analyzing the age by gender, there is a slight age superiority of males compared to females (41.9 \bar{M} and \bar{M} 38.8 years, respectively).

The country of origin of those polled is divided between the maximum percentage values of the English (United Kingdom) with 60.8% of the total. The minimum percentage values are the French, representing 2.4% of the total sample.

Of the totaled respondents, the predominant marital status is married/cohabiting with 73.1%, followed by the singles with 30.3%, the separated/divorced with 4.2%. Widowers had a smaller representation of 2.4%.

The analysis of the educational qualifications variable shows that there is a predominance of respondents with higher educational qualifications (62.8%) compared to 37.2% of the respondents who have only elementary or secondary education.

Factor Analysis

The objective of the first phase of analysis was to describe the structure of covariance or interrelationship between all variables) that measure the risk perception, in order to find a smaller number of variables than those originally presented. This analysis enabled understanding what the original variables had in common.

In confirmatory analysis of results, testing of various models through the program AMOS (Analysis of MOment Structures) was used in order to obtain the solution that presented the best results (Baumgarter & Homburg cit in Tabachnick & Fidell, 2000). The first model subject to confirmatory analysis included all items present in the first phase, consisting of nine major components. However, the results were not satisfactory. The second model tested includes three factors arising from the ACP, which is a better solution than the previous one, but still unsatisfactory.

The last solution tested, six factors, showed significantly good results with regards to *CMIN DF* ($\chi^2/df= 3.239$), *CFI*, (0.916) and *GFI* (0.950). The value RMSEA (0.043) is considered the ideal result (Table 3)²⁷.

Table 3 - Quality measures of adjustment for factorial models of risk perception

Model No.	No. of Factors	χ^2	df	χ^2/df	CFI	GFI	AGFI	RMR	RMSEA
1	9	.000	0	---	1.000	1.000	---	.000	.110
2	3	398.56 (<i>p</i> = .000)	.986	4.050	.762	.860	.846	.257	.05
3	6	215.0 (<i>P</i> = .000)	253	3.239	.916	.950	.935	.654	.043

CFI = Comparative Fit Index; *GFI* = Goodness-of-fit Index; *AGFI* = Adjusted Goodness-of-fit Index; *RMR* = Root mean residual; *RMSEA* = Root mean square error of approximation

²⁷ For the *CMIN DF* values between 1 and 5 are considered good (Fan, Thompson Wang, 1999). Regarding the IPPC and GFI, a good value is one that approaches the unit (Hu Bentler, 1998). Regarding the RMSEA value, the ideal parameters are less than or equal to 0.05 (Fan, Thompson, & Wang, 1999).

The literature review pointed to the existence of thirteen risks associated with tourism, which, through the analysis of the main components, and after due verification of applicability conditions, resulted in a set of six factors that reflect the main risks perceived by tourists visiting Algarve. These risks were renamed considering the loadings with higher values and their characteristics. Thus, the final risks found were:

- **Factor 1** – Social-temporal risk;
- **Factor 2** – Crime and physical health risk;
- **Factor 3** – Political and terrorism risk;
- **Factor 4** – Tourist risk;
- **Factor 5** – Functional and equipment risk;
- **Factor 6** – Communication risk.

The analysis conducted for each factor enabled the understanding of the existence of significant differences in the risk perception among tourists arriving to and departing from the Algarve. Thus, we can observe that practically in all factors there are differences in average scores regarding the moment of the trip. In fact, for tourists who are unfamiliar with the destination or are travelling to Algarve for the first time (32.9%), it is reasonable to think that upon arrival they will have greater concern in all risk factors compared to those who have visited the region several times and are more familiar with the characteristics of the destination (67.1%).

The results indicate that risk perception regarding Algarve does not interfere with security-related issues of the destination and decision-making. The vast majority of tourists (67.5%) do not consider the existence of potential risks associated with the destination when choosing and purchasing the trip, regardless of the typology of the tourist or trip.

As was initially considered, the typology may reveal to be important in relation to risk perception. In practical terms, depending on the typology of the tourist and trip, there are significant differences in the risk perception of tourists who visit Algarve. Most of the tourists (78%) fall within the profile of the seaside tourist ("sun and beach"), a typology with "psychocentric" characteristics (Plog, 1977); of the "individual masses tourist" and "organized masses tourists" of Cohen (1972); "masses or charter tourist" of Smith (1989); or, still, in the typology of the "economic tourist" of Burns (1999).

The typology of the trip lies between the "independent travel" (purchase made from the internet, 49.2% of the total) and package (flight and hotel with 36.7%). The typology "all included" is 14.1% of the total.

The results of the clusters' analysis allowed us to understand that we are dealing with a framework of different typologies in relation to perceptions of risk factors (Table 4).

Table 4 - Cluster Analysis and typology of tourists

Typology	Characteristics of risk perception
<i>Cluster 1</i>	Reduced risk at the social-temporal, crime and physical health, political and terrorism, and communication and hospitality level. The moderate risk perception is at the touristic and functional or equipment level.
<i>Cluster 2</i>	Reduced risk at the functional and equipment level, moderate risk at the social-temporal, crime and physical health and cultural and communication level. High risk at the political and terrorism level and touristic risk.
<i>Cluster 3</i>	Reduced risk at the touristic level, moderate risk at the political and terrorism level. High risk at the social-temporal, crime and physical health, functional and equipment and cultural and communication level.

Regarding the degree of familiarity or experience of the destination vs. novelty (first time at destination), the analysis of the results for the social-temporal factors, crime and physical health, repeaters are the ones who have a greater risk perception than first timers. However, for the political and terrorism, functional and equipment, communication and cultural factors, repeaters present a lower perception of risk than tourists visiting Algarve for the first time. The experience is related to the motivation of travel of some of the tourists, in particular, regarding trips to visit family and friends (VFR) and for the sport/golf. In total, these two motivations represent more than 23%.

The results obtained led to the realization that there is a significant familiarity with the destination, as about 40% of repeaters were found in Algarve. These data reinforce the theory that there is a close relationship between familiarity and reducing the risk perception, enhanced by the high percentage of tourists (67.5%) who do not see any potential risks at the destination.

In parallel to the familiarity vs. new destination, there are other factors that we take into consideration when evaluating the risk perception, namely: (i) types of tourists, (ii) nationality or country of origin, (iii) age group (iv) marital status, (v) education, among others.

With regards to gender, we see that there are differences between male and female tourists regarding the risk perception in Algarve. Thus, we found significant differences between men and women, and that women have, on average, a higher risk perception than men. In the socio-temporal factors, political and terrorism and functional or equipment, the existence of differences in the average scores regarding gender was noted. However, in the political and terrorism factor, women have a lower risk perception when compared to men. Gender differences are also visible regarding tourist motivation. In the travel reasons regarding the gender of tourists who visit Algarve, women only had more motivation than men (52% vs. 48%) with regards to the cultural factors of the destination.

Another individual attribute found relates to the origin of the tourists who visit Algarve. There are significant differences among tourists when compared with the country of origin. These differences are felt at the level of the identified six risk factors. Regarding the first factor (social-temporal risk), the differences lie in the Portuguese's higher risk perception in relation to all other countries of origin; a greater perception of French tourists compared to the UK, Ireland and Germany; and in the Germans who perceive a lower risk than the Dutch and English.

In *factor 2* (risk of crime and physical health) the Portuguese showed a higher perception of risk in relation to all other countries and the British more than the Germans.

Factor 3 (political risk and terrorism) is more strongly perceived by tourists from the United Kingdom, being the Portuguese the least likely to perceive this risk.

In *factor 4* (tourist risk) the differences are centered among tourists from the United Kingdom and Portugal, which are the ones that have a lower perception.

The *factor 5* (functional and equipment risk) the Portuguese reveal a greater lack of risk in relation to all other tourists.

In *factor 6* (risk of culture and communication) the biggest difference is the French who perceive a higher risk.

As noted, the age group of the participating tourists presents differences in virtually all factors, except for factor 5. On average, *factor 1* is higher in the age group 26-40; *factor 2* in the age group [over 60]; *factor 3* [18-25]; *factor 4* [18-25]; *factors 5 and 6* [over 60].

A relationship between the risk perception and the age group, that is, as age increases, the greater the risk perception, was also observed in four factors. Simultaneously, very significant differences with regards to marital status and risk perception in the Algarve were found. Divorced/separated tourists present a higher risk perception in factors 1, 3 and 5, while widowers show a higher risk perception in factor 3. Singles have a higher level of risk perception in factor 2.

04. CONCLUSIONS

Throughout its history, tourism reflected the changes that accompanied the growth process of societies (Cunha, 2001). A long time has past since the first human outings, which were made for, probably, religious and/or health purposes, until the present day. Tourism changed, thanks to powerful economic forces, from nationalization to touristic internationalization. Today, the pleasure of traveling is materialized in a plethora of tourist products that increasingly seek to satisfy the most demanding tastes.

Characterized by large population movements, tourism affects all travellers (tourists) and those who receive (hosts). Constituting a manifestation of the socio-economic and historical reality, tourism falls within the needs of economical, social, cultural, political and psychological expansion of societies. In an evolutionary and adaptation way, regarding the characteristics of society, the perception of risk and security became a relevant research topic regarding the touristic destination choice (Azim, 2010; Cheron Ritchie, 1982; Reichel, Fuchs Uriely, 2007; Reisinger & Crofts, 2009; Reisinger & Mavondo, 2008; Roehl & Fesenmaier, 1992; Sönmez & Graefe, 1998_{ab}; Xueqing, Gibson & Zhang, 2009).

Participants in this research fall into two categories: those who have familiarity (repeaters) with the destination Algarve, and those arriving for the first time. In fact, the experience in the destination is an important factor to assess the risk perception among tourists, more familiar the tourist is with the destination, the lower its risk perception will be. In this case, tourists experienced in the destination of Algarve have different risk perceptions than those arriving at the destination for the first time.

The main conclusions to be drawn are that participants have significant differences of social-temporal, political and terrorism risk perception. Concerning the risk perception of crime,

physical health and communication or cultural factors, there is an exception regarding the variable "gender".

Some previous studies (Águas & Brás, 2007; Brás, 2009) had already shown that one of the motivational factors for choosing Algarve was based on the good hospitality and the high level of safety and security of the destination. However, this factor, in our view, has camouflaged some weaknesses of the tourism product, which is currently already being felt, particularly by the increasing number of crimes against tourists.

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VISITOR MOTIVATION ATTENDING TOURISM FESTIVALS: A CASE STUDY OF THE SOUK OKAZ FESTIVAL

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Abstract

This research aimed to uncover the underlying motivation factors that drive Saudi people to visit festivals as well as to determine whether there is a significant difference in the motivation of tourists from different demographic groups. The data will collect through a structured questionnaire. The number of sample size will be 400. the questionnaires will be analyzed by using Statistical Package for the Social Sciences (SPSS) computer program. . A Cronbach alpha test will use to determine the internal consistency of each factor variable of the measurement instrument. The analysis of variance test (ANOVA) and the T-test will be used to determine whether there were differences in the motives of tourists based on the differences of their demographic variables. Frequencies and Percentages will use with variables such as gender, marital status, income, education, and age that enable the researcher to describe the sample.

Keywords: *festivals, motivations, demographic variables*

01. INTRODUCTION

Festivals and special events are recognised as one of the fastest growing tourism businesses (Lee, 2000). Chang (2006) argued that festivals and special events have grown rapidly in number throughout the world during the past decade. Moreover, festivals and special events have increased in number and size, with various purposes including providing significant economic, socio-cultural, and political impacts on destinations (Woo et al. 2011); promoting tourism and boosting the regional economy (Felsenstein & Fleischer, 2003); increasing visitation (Light, 1996); expanding the tourist season of the destination (Higham & Hinch, 2002); segmenting the festival market (Chang, 2006; Guzman et al., 2006; Kruger et al., 2010; Lee et al., 2004, Li et al., 2009); fostering destination development (Bramwell, 1997; Chacko & Shaffer, 1993); helping to conserve the sensitive natural environment and/or social and cultural environment; contributing towards sustainable development (Backman et al., 1995); enhancing domestic culture and history (Getz, 2008) and contributing towards the domestic economy by stimulating domestic tourism (Getz, 2008).

A festival can be defined as a “public themed celebration” Getz (1991, p.54, in Kim et al. 2006). Furthermore, festivals are generally of short duration and based on a particular theme (Baker & Crompton, 2000). Chang (2006) argued that festivals are a type of cultural event and are travel attractions with unique features. Festival tourism usually refers to events and gatherings that are staged outside the normal programme of activities (Anwar & Sohail, 2003).

In terms of motives, Fodness (1994) mentioned that motive is the driving force behind all behaviour. Hawkins et al., (1998, p.366) defines motivation as “the reason for behaviour”. Additionally, Ali-Knight (2000, p.4) argues that motivation is derived from the word “motivate” which means “to cause a person to act in a certain way or to stimulate interest in inducing a person to act”. Mook (1996) also defined motivation as the cause of human behaviour. Moutinho (1987, p.16, 2002, p.49) defines motivation as “a state of need, a condition that exerts a ‘push’ on the individual towards certain types of actions that are seen as likely to bring satisfaction”.

Tourists’ motives are multiple and an individual may have several needs which s/he wants to satisfy (Mansfeld, 1992; Uysal et al., 1993). Therefore, without identifying and understanding what motivates people to travel, effective marketing is impossible (Fodness, 1994). Crompton & McKay (1997) also indicated that motives are the starting points that launch decision

processes. Uysal and Hagan (1993) also recognised that understanding tourists' motivation allows researchers and marketers to better define the value of tourism behaviour and future travel patterns (4 p2). Getz (1993) also emphasised the importance of analysing visitors' motives for attending festivals and events. Identifying such motivations is a prerequisite for planning event programmes effectively and marketing them to visitors (Crompton & McKay, 1997). Dewar, et al. (2001) argued that understanding the motivations of visitors, event and festival organisers and marketers can increase the enjoyment of visitors and attract and retain more visitors.

Souk Okaz Festival

In the province of Taif a number of festivals are held including the Taif Summer Festival, the Festival of Roses and the Souk Okaz Festival. Souk Okaz represents a unique tourist landmark of its kind in the Kingdom of Saudi Arabia. It forms an important tributary of tourism. The Souk Okaz of today is located in the same place as it was in the historical past. The present Souk Okaz is visited by a large number of tourists who wish to take a closer look at the historic Souk as it featured in the depths of the old Arab past. The number of visitors to the festival in 2010 was 144,828 who spent nearly SR 24,331,020 (Saudi Commission for Tourism and Antiquities, 2011).

The importance of Souk lies in its historic symbolism as the original source of Arabic culture, as a destination for ancient Arab intellectuals and poets and a place for people passionate about culture and literature to visit. Visitors to Souk Okaz today enjoy a cultural background that is unique of its kind offered by the organisers through a series of lectures, seminars and events that brings to mind the glorious Arab past with authentic heritage values, particularly the Al Mo'alagat. Each Souk Okaz celebrates one of the poets of the Al Mo'alagat in an attempt to emphasise the important role of culture in linking the past with the present (Saudi Commission for Tourism and Antiquities, 2012).

02. LITERATURE REVIEW

A study of festival motivation is closely related to the study of tourism motivation since festival attendance is an important aspect of tourism (Kim et al. 2006). To date there has been an emerging, yet small, body of literature on the motivations of festival visitors that has identified salient motivation dimensions in a variety of settings and across a number of cultural groups, often using different scale items in the motivation constructs. Some motivation dimensions appear to be specific to the event, its setting or the nature of the attendees, while others occur repeatedly across the various studies (Schofield, and Thompson, 2007; see Table 1).

Table 1: Summary of selected studies of festival and event motivation

Researcher	Event name and site	Number of items	Delineated factors
Ralston & Crompton, 1988	1987 Dickens on the Strand, Galveston, USA	48	Stimulus seeking; family togetherness; social contact; meeting or observing new people; learning and discovery; escape from personal and social pressures and nostalgia.
Uysal et al., 1993	Corn Festival, South Carolina, USA	24	Escape; event novelty; excitement/thrills; socialisation and family togetherness.
Mohr et al., 1993	Balloon Festival, South Carolina, USA	23	Socialisation; escape family togetherness; excitement/uniqueness and event novelty.
Scott, 1996	Bug Fest, Holiday Lights Festival, and Maple Sugaring Festival, Ohio, USA	25	Nature appreciation; event excitement; sociability; family togetherness; curiosity and escape.
Formica and Uysal, 1996	Umbria Jazz Festival, Italy	23	Excitement/thrills; socialisation; entertainment; event novelty and family togetherness.
Schneider and Backman, 1996	Jerash Festival, Jordan	23	Family togetherness & socialisation; social/leisure; festival attributes; escape and event excitement.
Crompton and McKay, 1997	Fiesta in San Antonio, Texas, USA	28	Cultural exploration; novelty/regression; gregariousness; recover equilibrium; known-group socialisation and external interaction/socialisation.
Formica and Uysal, 1998	Spoletto Festival, Italy	23	Socialisation/entertainment; event attraction/excitement; group togetherness; site novelty, cultural/historical and family togetherness.
Lee, 2000	'98 Kyongju World Cultural Expo., South Korea	32	Cultural exploration; escape; novelty; event attractions; family togetherness; external group socialisation and known group socialisation.

Dewar et al., 2001	Harbin Ice and Sculpture and Snow Festival, China	23	Event novelty; escape; socialisation; family togetherness and excitement/thrills.
Lee and Lee, 2001	World Culture Expo held in Kyongju, South Korea	34	Culture, novelty and stimulation, family togetherness, boredom alleviation and socialisation.
Lee et al., 2004	2000 Kyongju World Cultural Expo., South Korea	34	Cultural exploration; family togetherness; novelty; escape; recover equilibrium); event attractions and socialisation.
Yuan, et al., 2005	The Vintage Indiana Wine and Food Festival, USA	25	Festival and escape; wine; socialisation and family togetherness.
Chang, 2006	Aboriginal cultural festival of the Rukai tribe (Rukai Day), Taiwan	28	Equilibrium recovery; festival participation & learning; novelty seeking; socialisation and cultural exploration.
Kim et al., 2006	International Festival of Environmental Film and Video (FICA), Goias, Brazil	20	Family togetherness; socialisation; site attraction; festival attraction and escape from routine.
Guzman et al., 2006	The Filipino local tourists' continuous patronage of a thematic festival, Philippines	30	Culture exploration; event attraction; socialisation; family togetherness; novelty and escape.
Schofield and Thompson, 2007	2005 Naadam Festival, Mongolia.	27	Cultural exploration; togetherness; socialisation; sports attraction and local special events.
Gyimóthy, 2009	Niche Festival, Norway	25	Sport subculture sociability; exploration; party & music; specialised shopping; symbolic consumption; thrill seeking and family sociability.
Li et al., 2009	Rural community-based festival, Indiana , USA	33	Escape; novelty; nostalgia and patriotism; event excitement; family togetherness and socialisation.
Yolal,.et al., 2009	Eskis Ehir International Festival, Turkey	18	Socialisation; escape and excitement; family togetherness and event novelty.
Shin, 2009	Gwangju the 2006 Gwangju·Jeonnam Regional Innovation Convention & Exposition in the	13	Knowledge; escape; exploration; and socialisation.

	Kim DaeJung Convention Centre, Korea		
McDowall,20 10	Tenth-Month Merit- Making Festival (TMMF), Thailand	22	Family/friend; excitement; event novelty and escape.
Kruger et al., 2010	Aardklop National Arts Festival, South Africa	19	Festival productions/shows; family togetherness; exploration; escape and festival attractiveness.
Woo et al., 2011	Eskisehir International Festival, Turkey	18	Socialisation; excitement; event novelty; escape and family togetherness.

The first academic study of festival attendee motivation was conducted by Ralston and Crompton in 1988 (in Li, 2009). Forty-eight motivation statements were developed, with a five-point Likert-type scale used to measure the motivation that pushed visitors to attend the Dickens on the Strand Festival in Galveston, Texas. The factor analysis delineated seven dimensions of motivation (stimulus seeking; family togetherness; social contact; meeting or observing new people; learning and discovery; escape from personal and social pressures and nostalgia). Ralston and Crompton attempted to identify market segments based on origin, age, income and family group type that shared similar motivations. No discreet market segment was identified, which led them to the conclusion that the motivation dimensions were generic across all groups.

Since Ralston and Crompton's (1988) study, a small body of literature on event and festival attendee motivation has emerged in several countries. For example, in the USA Uysal, et al. (1993) explored festival motivations for those attending a county Corn Festival in South Carolina. Five factors were extracted from twenty-four motivational items: escape; excitement/thrills; event novelty; socialisation and family togetherness. No significant between-groups differences were found on the basis of demographic variables. Furthermore, Mohr et al. (1993) investigated festival motivations for those attending a Freedom Weekend Aloft (a hot air balloon festival) held in Greenville, South Carolina. The twenty-three motivation items were factor analysed and resulted in five factor groupings: socialisation; family togetherness; excitement/uniqueness; escape and event novelty. No significant differences were found in motivation factors with regard to demographic variables. Moreover, Scott (1996) compared visitors' motivation with respect to three festivals (Bug

Fest, the Holiday Lights Festival and the Maple Sugaring Festival) organised by Cleveland Metroparks in Northeast Ohio. The twenty-five motivation items were factor analysed and resulted in six dimensions: nature appreciation; event excitement; sociability; family togetherness; curiosity and escape from routine. Statistically significant differences existed between motivational factors at different types of festivals. The findings imply that motivations sought at one festival were likely to differ from those sought at another festival. Although past visitation was related to four motivation factors, only one factor (curiosity) was found to be statistically different with respect to first time and repeat visitors ($p=0.01$).

Furthermore, in the USA Crompton and McKay (1997) investigated festival motivations for attending a fiesta in San Antonio, Texas. The twenty-eight motivation items were factor analysed and resulted in six factor groupings: cultural exploration; novelty/regression; recover equilibrium; known group socialisation; external interaction/socialisation and gregariousness. Moreover, the study discovered the extent to which the motivations identified changed across different types of events in the Fiesta. The results imply that different types of events tend to satisfy the same need, albeit to different degrees. For example, the motivation factor of “cultural exploration” was perceived to be equally relevant across all event types except food events, whereas “external socialisation” was perceived to be equally strong across all five types of events. Moreover, Li et al. (2009) examined the motivation of the attendees of a community-based festival in the rural Midwest of the United States. Six motivational factors are identified from the visitor data collected at the festival: escape; novelty; nostalgia and patriotism; event excitement; family togetherness and socialisation. Among them, escape was the most dominant motivation. Five clusters are identified, including family travellers, event enthusiasts, loyal festival goers, escapers and social gathering lovers. The five clusters are distinct in terms of the respondents’ perception of the festival and intention to revisit. The characteristics of each segment are given, and the practical implications of the findings are discussed.

In Italy, Formica and Uysal (1996) compared festival motivations of residents and non-residents attending the Umbria Jazz Festival. The twenty-three motivation items were factor analysed and resulted in five factor groupings: excitement and thrills; socialisation; entertainment; event novelty and family togetherness. Significant differences were found between the Umbria region and out-of-the-region visitors with factors of socialisation and entertainment. The results reveal that residents tended to be more motivated by the

socialisation factor, while non-residents appeared to be more driven by the entertainment factor. Furthermore, in Italy Formica and Uysal (1998) investigated festival motivations for attending an international cultural-historical event, the Spoleto Festival. The twenty-three motivation items were factor analysed and six motive factors were obtained: socialisation/entertainment; event attraction/excitement; group togetherness; site novelty; cultural/historical and family togetherness. Significant differences were found between “enthusiasts” and “moderates” with respect to age and marital status. Enthusiasts were characterised by being of an older age, high income and marriage, while moderates were represented by being of a younger age, low income and single status. The former were typically older, wealthier, and married attendees, while the latter were characterised by single participants who were younger in age and had lower incomes.

In Jordan, Schneider and Backman (1996) examined the applicability of a motivation scale (based on Uysal et al.’s 1993 work) commonly used by festival studies (in North America) to the Jerash Festival for Culture and Arts in Jordan. The factor analysis of twenty-three motivation items resulted in five dimensions of motivation: family togetherness/socialisation; social/leisure; festival attributes; escape and event excitement. Although the importance of factors differed from other studies, a similar factor structure appeared in this study. The results indicate that festival motivation scales developed in North America were readily transferable to Arab festivals, suggesting applicability regardless of cultural boundaries.

In South Korea, Lee (2000) investigated comparisons of event motivation between Caucasian and Asian visitors in the Asian setting of the 1998 Kyongju World Culture Expo. The thirty-two motivation items were factor analysed and seven motive factors were obtained: cultural exploration; family togetherness; escape; novelty; external group socialisation; event attractions and known group socialisation. The results revealed that significant differences in motivation existed between Korean and Japanese and other two groups (American and Europeans). The mean values of motivation indicate that Western tourists were more likely to have strong motivation than Oriental tourists at the Kyongju World Culture Expo.

Moreover, in South Korea, Lee et al. (2004) attempted to segment festival market using a cluster analysis based on delineated motivation factors in the Asian setting of the 2000 Kyongju World Culture Expo. The thirty-four motivation items were factor analysed and six motive factors were obtained: cultural exploration; family togetherness; novelty; escape; event attractions and socialisation. A cluster analysis identified four clustered segments for

six motivation factors in which the multi-purpose seekers were found to be the most important segment. Two-way ANOVA indicates that visitor satisfaction was influenced by motivation and type of visitor.

In China, Dewar et al. (2001) investigated the motivation of those visiting the Harbin Ice Lantern and Snow Festival using an existing cross-cultural instrument to determine the reliability of this instrument in different cultural festival situations. The motivational factors were compared with those of similar studies conducted for Jordanian and North American festivals, using very similar questionnaire items. The twenty-three motivation items were factor analysed and five motive factors were obtained: event novelty; escape; socialisation; family togetherness and excitement/thrills. Moreover, results of the Harbin study differ a little from those of the Jordan study and appear to be more similar to those of the North American studies.

In Taiwan, Chang (2006) explored the motivation of those visiting the aboriginal cultural festival of the Rukai tribe (Rukai Day). The twenty-eight motivation items were factor analysed and resulted in five factor groupings: equilibrium recovery; festival participation and learning; novelty seeking; socialisation and cultural exploration. The research reveals that cultural exploration (among other motivational dimensions) is the most important factor attracting tourists to the aboriginal cultural festival. In addition, not all tourists have the same degree of interest in the festival cultural experience. Furthermore, motivational variables are found to be more important than demographic variables in explaining and segmenting visitors to an aboriginal festival.

In Brazil Kim et al. (2006) examined festival motivations for attending an International Festival of Environmental Film and Video (FICA). The twenty motivation items were factor analysed and resulted in five factor groupings: family togetherness; socialisation; site attraction; festival attraction and escape from routine. The results indicate that there are some significant motivational differences among the environmental concern groups (low NEP group, middle NEP group and high NEP group).

In the Philippines, Guzman et al. (2006) examined festival motivations for attending the Filipino local tourists' continuous patronage of a thematic festival. The thirty motivation items were factor analysed and six motive factors were obtained: cultural exploration; event attraction; socialisation; family togetherness; novelty and escape. This study found that

culture, being the event centrepiece, is the main festival driving force among Filipino tourists. Additionally, event attraction (2.92) and novelty (2.88) were among the top three ranking indicators.

In Mongolia, Schofield and Thompson (2007) investigated visitor motivation for attending the 2005 Naadam Festival in Ulaanbaatar. It identified motivation variance on the basis of socio-demographic variables and examined the factors of significance with regard to visitor satisfaction and intention to revisit the festival. The twenty-seven motivation items were factor analysed and five motive factors were obtained: cultural exploration; togetherness; socialisation; sports attraction and local special events. Significant differences in motivation dimensions, satisfaction and intention to revisit the festival were found on the basis of visitor origin, gender and age.

In Norway, Gyimóthy (2009) examined festival motivations for attending the Niche Festival. The twenty-five motivation items were factor analysed and seven motive factors were obtained: sport subculture sociability; exploration; socialisation; party and music; specialised shopping; symbolic consumption; thrill seeking and family sociability.

In Thailand, McDowall, (2010) compared residents' and non-residents' information sources, motivations, performance evaluations, and overall satisfaction with the Tenth Month Merit Making Festival. The twenty-two motivation items were factor analysed and four motive factors were obtained: family/friend; excitement; event novelty and escape. Moreover, the results revealed that friends and family were their best information sources. Arts and crafts were top attractions for both groups. Factors affecting residents' overall satisfaction were different from those of non-residents.

In South Africa, Kruger et al. (2010) examined whether there are significant differences between visitors who attend the different types of shows/productions (genres) at the Aardklop National Arts Festival (hereafter referred to as Aardklop) and those that do not. The nineteen motivation items were factor analysed and resulted in five factor groupings: festival productions/shows; family togetherness; exploration; escape and festival attractiveness. Results showed that genre attendees and non-attendees differ significantly based on socio-demographic and behavioural characteristics.

In Turkey, Yolal et al., (2009) examined festival motivations for attending the Eskisehir International Festival. The eighteen motivation items were factor analysed and four motive

factors were obtained: socialisation; escape and excitement; family togetherness and event novelty. Moreover, the results in this study indicate that significant variation in motivation occurs across gender. Female visitors place significantly more importance on escape and excitement, family togetherness and event novelty. The findings also revealed that younger attendees seem to place more importance on socialisation and event loyalty and older attendees place more importance on family togetherness. Furthermore, in Turkey, Woo et al. (2011) investigated the underlying dimensions of motivation for attending an international festival and whether motivation will vary across six different festival products (symphony, rock, world music, dance, ballet and theatre). The second purpose was to understand how festival attendees perceive the socio-economic impacts of the festival and how these perceived impacts vary across different festival attendee groups. Finally, the study examined the overall satisfaction of festival attendees with respect to different festival products. The eighteen motivation items were factor analysed and resulted in five factor groupings: socialisation; excitement; event novelty; escape and family togetherness. Moreover, the results showed that there were significant differences in motivation among attendees from six different festival products. Duncan's multiple-range tests were performed to further examine differences in motivation among these attendees. The mean scores of different groups indicate that rock event attendees tended to have lower motivation scores than those of other groups and have the lowest ratings on the factor of family togetherness. However, attendees did not differ on the perceived importance of socio-economic impacts and satisfaction of the festival, irrespective of the festival product attended.

Overall, the findings throughout this literature review show that dimensions of motivation appear to be similar in all festival research, suggesting that there is a set of universal dimensions that explain the motivation behind visitor attendance. A majority of the research has been conducted within non-Muslim countries except for the study of the Moslem Cultural Festival at Jerash in Jordan (Schneider & Backman, 1996). This study confirms the acceptable use of the motivational scale developed among festival attendees in North America and in non-Western cultural settings. However, given the small volume of cross-cultural study on festival motives, there should be greater effort to research different types of festivals, as well as in different cultural settings, in order to better comprehend the variability of visitor motives. Therefore the aim of this study is to fill this gap by identifying the underlying dimensions of motivations for visitors attending the 2011 World Culture Expo. and to ascertain the relationships between visitor socio-demographic characteristics and motivations.

03. RESEARCH AIMS

The review of the literature in this study reveals that there has been a lack of attention among researchers in regard to investigating visitors' motivations that push them to attend festivals in Saudi Arabia. Therefore, the purpose of this study was to fill this gap and to identify and examine key motivation factors of Saudi people who go to festivals. This research also attempted to analyse whether there were any significant differences in motivations among different demographic groups. This research was designed to answer the following questions:

- What are the key motivations of Saudis to go to festivals?
- Are there any significant differences in motivations among different demographic groups?

04. IMPORTANCE AND SIGNIFICANCE OF THIS STUDY

Crompton and McKay (1997) argued that visitors' motives for visiting a festival are the starting point that triggers the decision process. Moreover, an understanding of visitor motivations is essential to identify the target market for festivals and communities, and to develop positioning strategies (Li et al., 2009).

In addition to the need to monitor visitors' satisfactions and enhance marketing effectiveness through understanding visitors' decision processes, Dewar et al. (2001) pointed out that it is imperative to identify visitors' needs so that festival organisers can design future programmes tailored to them

Previous research has studied the influence of demographic characteristics on festival motivations in different countries and cultural context (Chang, 2006; Formica and Uysal, 1998; Kim et al., 2006; Kruger et al., 2010; Lee 2000; Mohr, et al., 1993; Schofield and Thompson, 2007; Woo et al., 2011; Yolal, et al., 2009) and there has been limited research investigating the influence of demographic characteristics on festival motivations in non-Muslim countries. Therefore, this study will fill this gap and contribute towards the literature of festivals by investigating the effect of Saudi visitors' demographic characteristics on their festival motivations.

The study findings not only fill the identified gaps in relation to the festival motivations, but also provide practitioners and policy-makers with a base from which they can begin to work out an effective strategy to improve festivals in Saudi Arabia.

05. RESEARCH DESIGN

Population of Research

The target population of this study is Saudi visitors to the Souk Okaz Festival aged eighteen years old and above because of apparent difficulties in investigating all Saudi visitors.

Sample Size

According to Bryman (2004) the decision about sample size depends on a number of considerations including time, cost, non-response, heterogeneity of the population and types of analyses. He also emphasised the factors of time and cost because these factors are very important for every researcher. Bryman also indicated that a large sample cannot guarantee precision. Similarly, Finn et al., (2000) argued that sample size is determined by the level of resources available to the researcher and expected errors. Therefore, if the researcher expects a low response rate, he should deliver more questionnaires than his intended sample size. Some authors (Bazrah, 1996; David and Sutton, 2004) argue that the researcher could estimate the sample size depending on his experience and with consideration to cost and time, but it should not be less than thirty. In quantitative research, the larger the sample, the smaller the sampling error and the more accurate the survey results (Lewis, 1984). The literature suggests the existence of a positive relationship between the number of items and the sample size, representing a ratio of at least 1:4 or 1:5 (Hinkin et al., 1997; Tinsley and Tinsley, 1987). A large sample population is helpful in generating better results from factor analysis. Sampling error is expected to decrease as the size of the sample increases (Hurst, 1994). Therefore, to guard against error when the researcher has limited time, the questionnaire must be self-managed as no other way is feasible to safeguard against error when the researcher is faced with time limitations. As it would have been very difficult to question all visitors to the Souk Okaz festival, the sample size was 400, which allows a permissible error rate of less than 5 percent at the 95 per cent confidence level.

Questionnaire Design

A self-complete questionnaire was designed to obtain data on the socio-demographic characteristics of festival attendees and motivations for attending the Souk Okaz Festival. The instrument included a scale of 27 motivation statements derived from previous studies (Guzman et al. 2006; Chang, 2006; Crompton and McKay, 1997; Dewar et al. 2001; Formica and Uysal (1996&1998); Gyimóthy, 2009; Kim et al., 2006; Kruger et al., 2010; Lee, 2000;

Lee et al., 2004; Li et al., 2009; McDowall, 2010; Mohr et al., 1993; Scott, 1996; Schneider & Backman, 1996; Schofield & Thompson, 2007; Woo et al., 2011 and Uysal et al. 1993) Subjects asked to rate their levels of agreement/disagreement with each statement relating to their visit motivation presented on 5-point Likert-type scales ranging from “very strongly disagree” (1) to “very strongly agree” (5). Before the questionnaire was finalised, three academic professionals from the Department of Marketing at Taif University in Saudi Arabia reviewed the questionnaire to ensure content validity. When the questionnaire was complete, a pilot study was conducted to ensure the reliability. The survey administered to a convenient sample of 30 visitors

The second section of the questionnaire asked for demographic information about the respondents, including their gender, age, education level, marital status and monthly income. The original questionnaire was developed in English, translated into Arabic and finally translated back into English using a blind-translation, back-translation technique (Hsu et al., 2006). Such a method ensures the accuracy of a translation (Law et al., 2008).

Data collection

The questionnaire was conducted at the city of Taif, Saudi Arabia, using an on-site intercept procedure for the entire period of the festival in 2011. The self-administered intercept survey was conducted by four well-trained research assistants. The questionnaires were randomly handed out at the entrances of the festival venues to potential respondents and were immediately collected upon their completion before the event had started. Participation was on a voluntary basis. In an attempt to obtain a reasonably representative sample, the survey was conducted for 10 days with an equal proportion of the time of day (morning, early afternoon, and early evening).

Data Analysis

The collected data was analysed by employing the Statistical Package for the Social Sciences (SPSS 17.0) computer program. As far as scale-based motivation items are concerned, factor analysis was performed to identify the extent to which questions seemed to be capturing the same variables and the degree to which they could be reduced to a smaller set of factor attributes. A Cronbach Alpha Test was used to determine the internal consistency of each factor variable of the measurement instrument. Analyses of variance (ANOVA) was used to determine if differences existed among identified motivation factors across visitors from one segment to another. If the results of ANOVA were significant ($p < 0.05$), a post-hoc analysis

with a Scheffe method was conducted to identify differences among the factors of motivation of the visitors related to their demographic characteristics. The Scheffe multiple range test is a more commonly-used comparison than other multi-comparative procedures (Miller, 2002). In this study, T-test analyses were used to identify the differences in the motivation of the visitors in terms of the visitors' demographic characteristics that had only two categories, such as gender and marital status. Frequencies and percentages were used with variables such as gender, marital status, income, education and age to enable the researcher to describe the sample. The means procedure applied to comparing averages (means) for different groups.

06. RESULTS

Sample Profile

The socio-demographic characteristics of the sample are presented in Table 2. Descriptive analysis of the sample showed that there were more male respondents (63.0%) than female. The majority of respondents (53.2%) were single. Nearly half (50.7%) of the respondents earned between SAR 3,000 and SAR 8,999. while (29.2%) of the respondents earned less than SAR 3,000. Furthermore, 20.1% earned between SAR 9,000 and over SAR 15000. Seventy-six per cent of the respondents had college and secondary degrees. The majority of respondents were below 45 years of age (89.4%). Moreover, 39.1% were in employment and 35.6% were students.

Table 2: Socio-demographic profile of the respondents

Gender	N	%	Marital status	N	%
Male	179	63	Married	133	46.8
Female	105	37	Single	151	53.2
Total	284	100	Total	284	100
Level of education	N	%	Monthly income	N	%
Primary	23	8.1	less than 3,000	83	29.2
Intermediate	20	7.0	from 3,000- to 5,999	73	25.7
Secondary	131	46.1	from 6,000- to 8,999	71	25
University	85	29.9	from 9,000- to 14,999	27	9.5
High Education	25	8.8	15,000 and over	30	10.6
Total	284	100	Total	284	100
Age	N	%	Job	N	%

Less than 25	123	43.3	Employee	111	39.1
From 25- to 34	75	26.4	Student	101	35.6
From 35- to 44	56	19.7	Businessman/woman	17	6
From 45 and over	30	10.6	Other	55	19.4
Total	284	100	Total	284	100

Reliability and Means and Standard Deviations

A reliability test was performed to assess the internal consistency of the result measurements. The coefficient alpha is the most popular measure of reliability for a multi-item scale (Sekaran, 1992). It was used to assess the internal homogeneity among the items scale in this study. The Cronbach Alpha for all items was 0.921, which exceeds the recommended threshold of 0.7 (Nunnally and Bernstein, 1994). Table 3 illustrates the reliability for all items in this study. Moreover, the values in the column labelled "Alpha if items are deleted" indicate that none of the items here would increase the reliability if they were deleted because all values in this column are less than the reliability of 0.921. Furthermore, the item-to-total correlation values for all items are higher than 0.3, which is a relatively good indicator (see Field, 2005). The standard deviations were nearly all approximately 1 scale division.

Moreover, to find the importance of motivation attending tourism festivals, the mean scores have been calculated. Table 3 shows the mean scores for all statements of motivation for attending tourism festivals. Most statements have average scores above 3 (the midpoint of the scale), indicating that these motivations are important for tourists to visit tourism festivals. The four most important motivations were: to increase my cultural knowledge (mean=4.0845); to enjoy arts and crafts (mean=4.0106); to spend leisure time with my family; (mean=3.9965) and to enjoy art and folk performances (mean=3.9542). On the other hand, the least important motivations were: to see the event with my friends (mean=1.13479); to enjoy traditional food (mean=1.19863); to see the event with a group (mean 1.24736) and to be with people who enjoy the same things I do (mean=1.30877).

Table 3: Mean Values, Standard Deviations and Reliability of Each Statement of Motivation Attending Tourism Festivals

Variables	SD	Mean	Alpha if items are deleted	Item-to-total correlation
To increase my cultural knowledge	1.14955	4.0845	.907	.685
To know about the cultural events	1.06885	3.9507	.907	.682
To enjoy arts and crafts	1.04487	4.0106	.907	.666
To experience local customs and cultures	1.10660	3.8380	.909	.597
To learn more about Saudi culture	1.17156	3.9049	.907	.670
To enjoy new experiences	1.09842	3.9261	.907	.668
To enjoy art and folk performances	1.13786	3.9542	.908	.643
To help my family learn more about local cultures	1.08401	3.8275	.910	.558
I thought the entire family would enjoy it	1.08199	3.9507	.910	.516
To spend leisure time with my family together	1.11367	3.9965	.911	.502
I seek novelty	1.09870	3.9085	.907	.664
To escape from routine life	1.14414	3.7817	.911	.483
To relieve boredom	1.10745	3.8556	.910	.528
For a change of pace from everyday life	1.11314	3.7676	.909	.565
To relieve daily stress	1.07752	3.7254	.910	.548
To enjoy special events	1.04616	3.9331	.913	.367
To see new and different things	1.07754	3.9296	.907	.674
To enjoy the festival atmosphere	1.10143	3.7887	.907	.659
To be with people who enjoy the same things I do	1.2077	1.30877	.909	.570
To see the event with a group together	1.2887	1.24736	.910	.534

To see the event with my friends	1.1049	1.13479	.917	.205
To enjoy traditional food	1.1704	1.19863	.920	.069

Factor Analysis of Visitors' Motivation for Attending Tourism Festivals

In order to determine the underlying dimensions of the correlated motivations variables, the 22 items were factor analysed utilising a principal components analysis with varimax rotation. The overall significance of the correlation matrix was 0.000, with a Barlett test of sphericity value of 3708.240 and Kaiser-Meyer-Olkin value of 0.90, which can be described as “marvellous” (Hair et al., 1995; Kaiser, 1974). Therefore, the data was suitable for the proposed statistical procedure of factor analysis (Hair et al., 1998).

All 22 items included in the initial analysis had a factor loading above 0.5, “very significant” (Hair et al., 1995), and were retained for subsequent analysis (Stevens, 1996). Most of the factor loadings were greater than 0.60, indicating a good correlation between the items and the factor grouping they belong to. In addition, all items were loaded highly only on one factor and were not split-loaded on another factor above (0.35) as suggested by Gorsuch (1974) and Leary (1995).

Principal components analysis with varimax rotation suggests that five factors may be extracted from the data (eigenvalues =1 and above) and 22 items were retained under the five factors which explains 69.047% of the variance in the data set. The first factor accounts for 28.38% of the variance, the second 13.73%, the third 10.49%, the fourth 9.26% and the fifth 7.17% (See Table 4).

Reliability analysis (Cronbach's Alpha Test) was calculated to test the reliability and internal consistency of each factor. The alpha coefficients for four factors were 0.7 and above. These coefficients were higher than the standard estimates of 0.70 as recommended by Nunnally and Bernstein (1994).

The factors were labelled according to the commonality of the items loading on each factor, and they were labelled as follows: Factor 1 (culture knowledge factor), Factor 2 (escape), Factor 3 (family), Factor 4 (social) and Factor 5 (excitement).

Table 4: Factor Analysis of Visitors' Motivation for Attending Tourism Festivals

Factors	Loading	Eigen value	Variance explained	Reliability analysis
Factor 1: Culture knowledge		6.244	28.384	.937
To increase my cultural knowledge	0.799			
To know about cultural events	0.835			
To enjoy arts and crafts	0.853			
To experience local customs and cultures	0.801			
To learn more about Saudi culture	0.804			
To enjoy new experiences	0.792			
To enjoy art and folk performances	0.748			
To seek novelty	0.670			
To see new and different things	0.771			
Factor 2: Escape		3.021	13.731	0.870
To escape from routine life	0.780			
To relieve boredom	0.824			
For a change of pace from everyday life	0.824			
To relieve daily stress	0.758			
Factor 3: Family togetherness		2.309	10.495	0.793
To help my family learn more about local cultures	0.656			
I thought the entire family would enjoy it	0.862			
To spend leisure time with my family together	0.861			
Factor 4: Socialisation		2.038	9.264	0.819
To enjoy the festival atmosphere	0.50			
To be with people who enjoy the same things I do	0.833			
To see the event with a group together	0.840			
Factor 5: Excitement		1.578	7.174	0.751

To enjoy special events	0.540			
To see the event with my friends	0.684			
To enjoy traditional food	0.821			
Total variance explained			69.047%	

From the previous table, Factor 1, culture knowledge, explained 28.38% of the variance with an eigenvalue of 6.24. This factor is composed of nine items: “to increase my cultural knowledge”; “to know about cultural events”; “to enjoy arts and crafts”; “to experience local customs and cultures”; “to learn more about Saudi culture”; “to enjoy new experiences”; “to enjoy art and folk performances”; “to seek novelty” and “to see new and different things”. This factor was also reported by previous studies (Guzman et al., 2006; Chang 2006; Crompton and McKay, 1997; Lee 2000; Lee et al., 2004; Schofield and Thompson, 2007; Shin, 2009).

Factor 2, the escape factor, is loaded with four items, and accounts for 13.73% of the variance in the data, with an eigenvalue of 3.02. The four items are: “to escape from routine life”; “to relieve boredom”; “for a change of pace from everyday life” and “to relieve daily stress”. This factor was also reported by previous studies (Dewar et al., 2001; Kim et al., 2006; Lee 2000; Lee et al., 2004; Li et al., 2009; McDowall, 2010; Shin, 2009).

Factor 3, the family togetherness factor, contains the three items which are employed to explain this factor. They include: “to help my family learn more about local cultures”; “I thought the entire family would enjoy it” and “to spend leisure time with my family”. This factor accounts for 10.49% of the variance in the data with an eigenvalue of 2.30. This factor was also reported by the previous studies (Guzman et al., 2006; Kim et al., 2006; Lee 2000; Lee et al., 2004; Li et al., 2009; McDowall 2010; Schofield and Thompson 2007; Yuan et al., 2005; Yolal et al., 2009).

Factor 4, the socialisation factor, explains 9.26% of the variance with an eigenvalue of 2.03. This factor contains three items which are: “to enjoy the festival atmosphere”; “to be with people who enjoy the same things I do” and “to see the event with a group”. This factor was also reported by the previous studies (Guzman et al., 2006; Kim et al., 2006; Chang, 2006; Dewar et al., 2001; Lee 2000; Lee et al., 2004; Li et al., 2009; McDowall 2010; Schofield and Thompson 2007; Yuan et al., 2005; Yolal et al., 2009).

Factor 5, the excitement factor, explains 7.17% of the variance with an eigenvalue of 1.57. This factor contains three items which are: “to enjoy special events”; “to see the event with my friends” and “to enjoy traditional food”. This factor was also reported by the previous studies (McDowall 2010; Li et al., 2009)

The reliability alpha of culture knowledge factor is 0.937, slightly less than the value of (0.93) Cronbach’s Alpha Test for this factor in Guzman et al.’s (2006) study, and higher than the value of 0.82 in Lee et al.’s (2004) and Schofield and Thompson’s (2007) studies; the value of 0.84 in Lee’s (2000) study; the value of 0.719 in Chang’s (2006) study; the value of 0.79 in Lee and Lee’s (2001) study and the value of 0.84 in Shin’s (2009) study.

The reliability alpha of escape factor is 0.870, slightly less than the value of (0.88) Cronbach’s Alpha Test for this factor in Lee et al.’s (2004) study and the value of (0.90) in Li et al.’s (2009) study and higher than the value of 0.82 in McDowall’s (2010) study; 0.86 in Lee’s (2000) study; 0.70 in Kim et al.’s (2006) study; 0.88 in Shin’s (2009) study and the value of 0.79 in Dewar et al.’s (2001) study.

The reliability alpha of family togetherness factor is 0.793, the same Cronbach Alpha for this factor in Schofield and Thompson’s (2007) study, and less than the (0.92) Cronbach Alpha for this factor in Lee et al.’s (2004) study; the value of 0.83 in McDowall’s (2010) study, the value of 0.93 in Lee’s (2000) study; the value of 0.80 in Kim et al.’s (2006) study; the value of 0.86 in Li et al.’s (2009) study; the value of 0.81 in Guzman et al.’s (2006) study; the value of 0.90 in Lee and Lee’s (2001) study; the value of 0.84 in Yolal et al.’s (2009) study, and higher than the value of 0.77 in Yuan et al.’s (2005) study.

The reliability alpha of the socialisation factor is 0.82, the same value as in Shin’s (2009) study and less than the value of 0.83 for this factor in Guzman et al.’s (2006) study, and higher than the value of 0.78 in Lee et al.’s (2004) study; 0.64 in Schofield and Thompson’s (2007) study; 0.79 in Lee’s (2000) study; 0.72 in Chang’s (2006) study; 0.68 in Kim et al.’s (2006) study; 0.75 in Li et al.’s (2009) study; 0.76 in Lee and Lee’s (2001) study; 0.67 in Dewar et al.’s (2001) study; 0.73 in Yuan, et al.’s (2005) study and the value of 0.79 in Yolal, et al.’s (2009) study.

The reliability alpha of excitement factor is 0.75, the same value as in McDowall’s (2010) study and less than the value of 0.85 for this factor in Li et al.’s (2009) study.

The Importance of Motivation Factors for Attending Tourism Festivals

To find the importance of each factor, the mean score has been calculated, as shown in Table 5. It can be seen that the culture knowledge factor is the most important factor perceived by Saudi visitors; the mean is (4.245) which means that the Saudi visitors like to increase their knowledge about the culture. The least important factor is the excitement factor; the mean is (3.169).

Table 5: Importance Ranking of Motivation Factors for Attending Festival

Factors	Mean	Rank
Culture Knowledge Factor	4.245	1
Escape Factor	3.782	3
Family togetherness Factor	3.924	2
Socialisation Factor	3.548	4
Excitement Factor	3.169	5

Independent Samples T-tests and One-Way ANOVA Tests

In order to answer the second research question “Are there any significant differences in visitors’ motivation for attending tourism festivals among different demographic groups?” one-way ANOVA tests and independent samples t-tests were performed.

Independent Samples T-tests

According to Field (2005:287), the independent samples t-test is a parametric test which holds the following assumptions:

1. Data comes from normally distributed populations.
2. Data are measured at least at the interval level.
3. Variances in populations are roughly equal.
4. Scores are independent.

The Differences in Motivations of Visitors According to their Gender

In Table 6, the results indicate that no significant differences exist between male and female visitors in relation to any factors. This means that both visitors groups (male and female) had similar motivations (culture factor; escape factor; family togetherness factor; socialisation factor and excitement factor) to visit festivals

Table 6: the Differences in Motivation for Attending Tourism Festivals According to the Gender of Respondents (t-test)

N	Factors	Gender	N	Mean	Std. deviation	t	Sig.
1	Culture knowledge	Male	179	3.9683	.90453	.564	.488
		Female	105	3.9058	.89882	.565	
2	Escape	Male	179	3.7053	.93547	-1.812-	.806
		Female	105	3.9143	.94298	-1.808-	
3	Family togetherness	Male	179	3.8976	.93085	-.653-	.883
		Female	105	3.9714	.90241	-.658-	
4	Socialisation	Male	179	3.3389	1.05260	-1.889-	.719
		Female	105	3.5810	1.02431	-1.903-	
5	Excitement	Male	179	3.9106	.81310	-1.617-	.342
		Female	105	4.0698	.77995	-1.635-	

The Differences in Motivations of Visitors According to their Marital Status

In Table 7, the results indicate that no significant differences exist between single and married visitors in relation to any factors. This means that both visitor groups (single and married) had similar motivations (culture factor; escape factor; family togetherness factor; socialisation factor and excitement factor) to visit festivals.

Table 7: the Differences Motivation for Attending Tourism Festivals) According to the Gender of Respondents (t-test)

N	Factors	Social	N	Mean	Std. deviation	t	Sig.
1	Culture knowledge	Married	133	4.0777	.85685	2.343	.266
		Single	151	3.8286	.92596	2.354	
2	Escape	Married	133	3.8759	.87181	1.572	.219

		Single	151	3.7003	.99541	1.585	
3	Family togetherness	Married	133	4.0652	.83833	2.434	.084
		Single	151	3.8013	.97158	2.457	
4	Socialisation	Married	133	3.5363	1.03868	1.635	.820
		Single	151	3.3333	1.04846	1.636	
5	Excitement	Married	133	3.8772	.85524	-1.825-	.069
		Single	151	4.0508	.74808	-1.809-	

One-Way ANOVA Tests

One-way ANOVA tests were run on the dependent variables (the five factors) in relation to the following independent variables:

- 1.Age
- 2.Monthly Income
3. Level of Education
4. Job

Prior to the tests, it was secured in each of the cases that all the assumptions of ANOVA are fulfilled, meaning that the data are from a normally distributed population, the variances in each experimental condition are fairly similar and the observations are independent (Field, 2005:324). The dependent variables were measured on the ordinal level, but it was believed that the intervals between the points “strongly disagree”, “disagree”, “neutral”, “agree” and “strongly agree” were equal. To confirm the assumption of equality of variances, Levene’s test was performed. If the assumption of homogeneity of variances was broken, the alternative Brown-Forsythe test (which is considered robust in such cases) was performed instead of ANOVA (Field, 2005:347).

The Differences in Motivations of Visitors According to their Age

One-way ANOVA was conducted to examine whether tourist motivations differed significantly by age of respondents. The results of ANOVA tests in Table 8 revealed that there were no significant differences between visitors with different ages regarding the five

tourism festival motivation factors. Hence, age did not significantly influence visitors' motivation to visit festivals.

Table 8: ANOVA :In Motivation for Attending Tourism Festivals) According to the Age of Respondents

N	Factors		Sum of squares	df	Mean square	F	Sig.
1	Culture knowledge	Between groups	2.829	3	.943	1.163	.324
		Within groups	227.085	280	.811		
		Total	229.913	283			
2	Escape	Between groups	4.169	3	1.390	1.575	.196
		Within groups	246.968	280	.882		
		Total	251.136	283			
3	Family togetherness	Between groups	3.827	3	1.276	1.517	.210
		Within groups	235.459	280	.841		
		Total	239.286	283			
4	Socialisation	Between groups	1.172	3	.391	.354	.786
		Within groups	309.039	280	1.104		
		Total	310.211	283			
5	Excitement	Between groups	1.597	3	.532	.824	.482
		Within groups	181.027	280	.647		
		Total	182.624	283			

The Differences in Motivations of Visitors According to their Monthly Income

One-way ANOVA was conducted to examine whether tourist motivations differed significantly by income of respondents. The results of ANOVA tests in Table 9 revealed no significant differences between visitors with different monthly income regarding the five tourism festival motivation factors. Hence, income did not significantly influence visitors' motivation to visit festivals.

Table 9: ANOVA: In Motivation for Attending Tourism Festivals) According to the Monthly Income of Respondents

N	Factors		Sum of squares	df	Mean square	F	Sig.
1	Culture knowledge factor	Between groups	2.283	4	.571	.700	.593
		Within groups	227.630	279	.816		
		Total	229.913	283			
2	Escape	Between groups	3.936	4	.984	1.111	.352
		Within groups	247.200	279	.886		
		Total	251.136	283			
3	Family togetherness	Between groups	5.273	4	1.318	1.572	.182
		Within groups	234.013	279	.839		
		Total	239.286	283			
4	Socialisation	Between groups	6.175	4	1.544	1.417	.229
		Within groups	304.036	279	1.090		
		Total	310.211	283			
5	Excitement	Between groups	5.692	4	1.423	2.244	.065
		Within groups	176.932	279	.634		
		Total	182.624	283			

The Differences in Motivations of Visitors According to their Level of Education

One-way ANOVA was conducted to examine whether tourist motivations differed significantly by education of respondents. The results of ANOVA tests in Table 10 revealed that no significant differences exist between visitors with different education regarding the five tourism festival motivation factors. Hence, education did not significantly influence visitors' motivation to visit festivals.

Table 10: ANOVA: In Motivation for Attending Tourism Festivals) According to the Level of Education of Respondents

N	Factors		Sum of squares	df	Mean square	F	Sig.
1	Culture knowledge	Between groups	7.903	4	1.976	2.483	.044
		Within groups	222.010	279	.796		
		Total	229.913	283			
2	Escape	Between groups	3.867	4	.967	1.091	.361
		Within groups	247.269	279	.886		
		Total	251.136	283			
3	Family togetherness	Between groups	.670	4	.168	.196	.940
		Within groups	238.616	279	.855		
		Total	239.286	283			
4	Socialisation	Between groups	3.553	4	.888	.808	.521
		Within Groups	306.658	279	1.099		
		Total	310.211	283			
5	Excitement Factor	Between Groups	2.208	4	.552	.854	.492
		Within Groups	180.416	279	.647		
		Total	182.624	283			

The Differences in Motivations of Visitors According to their Job

One-way ANOVA was conducted to examine whether tourist motivations differed significantly by the jobs of respondents. The results in Table 11 indicate that significant differences between tourists with different ages were observed with regard to one factor: culture knowledge (sig. = 0.016). When significant differences were found, Scheffé's multiple range test was conducted to investigate the source of the difference across the four job groups.

The results of the Scheffé tests on the culture knowledge factor indicated that significant differences (sig.=0.025) were found between Group 1 and Group 2. employees (Group1; mean=4.1) were more likely to be motivated by the culture knowledge factor than students (Group 2; mean=3.7).

Table 11: ANOVA: In Motivation for Attending Tourism Festivals) According to the Jobs of Respondents

N	Factors		Sum of squares	df	Mean square	F	Sig.
1	Culture Knowledge	Between groups	8.360	3	2.787	3.522	.016
		Within groups	221.553	280	.791		
		Total	229.913	283			
2	Escape	Between groups	7.147	3	2.382	2.734	.061
		Within groups	243.989	280	.871		
		Total	251.136	283			
3	Family togetherness	Between groups	3.846	3	1.282	1.525	.208
		Within groups	235.440	280	.841		
		Total	239.286	283			
4	Socialisation	Between groups	4.415	3	1.472	1.347	.259
		Within groups	305.796	280	1.092		

		Total	310.211	283			
5	Excitement	Between groups	4.153	3	1.384	2.172	.092
		Within groups	178.471	280	.637		
		Total	182.624	283			

07. CONCLUSIONS AND IMPLICATIONS

Festivals attract a wide range of attendees who are not homogeneous in their motivations, and consequently marketers need to adopt a segmented strategy (Charters and Ali-Knight, 2002).

The purpose of this study was to reveal motivations that drive Saudis to go to festivals and to find the significant differences in motivations among different demographic groups. The results of this study provide a clear picture of the motivations that drive Saudi people to visit festivals and how these motivations are influenced by demographic variables. It is therefore possible to draw the following conclusions.

Tourism motivation is among one of the most significant fields of festival research, and also one of the most complex. In promoting festivals, it is crucial to understand people's motives, since such an understanding offers a better explanation of visitors' behaviour and thus allows festivals planners to foresee visitors' actions. Furthermore, an understanding of festival motivations will also permit travel service providers to be prepared to fulfil or even exceed the desires of visitors in order to provide a festival experience that is highly enjoyable for the visitor and lucrative for the service provider. Such an understanding would form the basis for a successful tourism enterprise.

The most important single reason for visiting the festival was "to increase my cultural knowledge". This finding is consistent with those of previous studies. For example, McDowall (2010) found that one of the top five motivations for residents and non-residents in Thailand to visit festival was to increase knowledge about local culture.

Factor analysis of 22 motivation items resulted in five underlying dimensions: culture knowledge; escape; family togetherness; socialisation and excitement. This finding is consistent with those of previous studies (Guzman et al., 2006; Chang, 2006; Formica and Uysal, 1996; Gyimóthy, 2009; Kim et al., 2006; Kruger et al., 2010; McDowall, 2010; Mohr

et al., 1993; Lee, 2000; Lee et al., 2004; Li et al., 2009; Schofield and Thompson, 2007; Uysal et al., 1993; Woo et al., 2011 and Yolal et al., 2009).

Moreover, all these factors were also reported by other previous studies, even though they were slightly different in order and components of motivational factors. The findings imply that motivation items and scales measured in non-Muslim countries could be also applicable to Muslim countries. Furthermore, the findings of this study reveal that Saudi tourists are motivated to visit festivals by multiple motivations. Therefore, tourism planners could use these motivations in the segmentation of the Saudi festivals tourism market and when designing promotional programmes.

The study revealed that the culture knowledge factor was the most important motivation for Saudis to visit festivals. This finding is consistent with Guzman et al.'s (2006) study. This study found that culture, being the event centrepiece, is the main festival driving force among Filipino tourists. Moreover, the results of this study regarding the importance of motivation factors were to some extent different from previous studies (e.g. Formica and Uysal, 1996 and Li et al., 2009). For example, Li et al. (2009) found that the escape factor was the most dominant motivation.

Furthermore, the findings of this study have indicated that a significant relationship exists between some festival motivation factors and some demographic variables. This finding is consistent with those of previous studies (e.g. Formica and Uysal, 1996; Schofield and Thompson, 2007; Yolal et al., 2009). For example, Yolal et al. (2009) found that significant variation in motivation occurs across some demographic variables. Promotional schemes could be developed to cater for the needs of different types of visitors (Gitelson and Kerstetter, 1990).

It is strategically important that cooperative efforts from government and private sector organisations are made to maintain the prosperity of the tourism sector in the country. Government officials and tourism practitioners must make concerted efforts to design the right marketing mix through careful festival planning with a view to satisfying the needs of a cross-section of visitors and enriching their travel experiences.

08. LIMITATIONS OF THE STUDY

Firstly, the findings of this study were based on one festival. The geographic setting of the region and the festival's location limit the generalisability of the findings. In addition, since multiple tourism festivals are not represented in the sample, the results cannot be generalised to the overall population of Saudi people who visit festivals. As Whiting (1968; cited in Kozak, 2002) noted, considering more than one organisation or customer group in empirical studies may make a generalisation of the findings possible. Secondly, tourists were not selected based on a random sampling method, and this is likely to introduce some level of selection bias. Furthermore, this weakness coupled with the relatively small sample size is likely to restrict the generalisability of these findings to the larger populations. Thirdly, this study has investigated only motivation factors that drive people to go to festivals. Pull factors (attractive factor) that attract people to visit festivals have not been studied.

09. RECOMMENDATIONS FOR FURTHER RESEARCH

The study gives rise to the following recommendations for future research:

- 1- In relation to the generalisation, future research should be replicated for this study.
- 2- The review of the literature in this study reveals that there has been a lack of attention among researchers to study pull factors (attractive factors) that attract people to visit festivals. Therefore, researchers should pay more attention to study pull factors (attractive factors) that attract people to visit festivals.
- 3- This study could be replicated in a different country, especially an Islamic or Arabic country, since there is a lack of extant festival motivation research in these cultures.
- 4- Further research on festival and event motivation and visitor satisfaction with their components is required to assess both the stability of the emergent motivation dimensions and the factors of significance in visitor satisfaction and behavioural intention.
- 5- Further research should be conducted including festival organisers and vendors, and to investigate whether differences exist among festival attendees, festival organisers and vendors regarding motivations, performance evaluations and overall satisfaction.

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[23]

VISITOR IMAGE: THE CASE OF LANGKAWI ISLAND

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Abstract

Even though its location is strategically competitive with its neighbouring islands of Thailand, the Island of Langkawi seems to grow well with the tides, successfully attracting over two million visitors to its shores, annually. The study aims to establish the image of Langkawi Island from tourists' perception and their ultimate satisfaction. This is crucial as a check and balance tool that may be used before further tourism development were to be planned on the island, in enhancing its destination image. The study's major data is based on tourists' perception of the island, amongst 246 respondents both local and foreign along Pantai Cenang, the main tourist activity area. Their image of Langkawi shows minimal change over the interval of perceived and actual experience. Findings simultaneously point out to the most popular tourist activities and products that may be responsible for the sustainability of Langkawi's image in a competitive regional market.

Keywords: *destination image, tourist activities, destination image, tourist satisfaction, and sustainability.*

01. INTRODUCTION

Background of study

Covering a total terrestrial area of 47,848ha spread across 104 islands²⁸, Langkawi is known as the Jewel of Kedah with its development having a focus on tourism resources (Tourism Malaysia 2010). The initial attempt to put Langkawi onto the tourism map of Malaysia surfaced following the declaration of the island as a duty-free island on the 1st January 1987 by the former Prime Ministry of Malaysia, Tun Dr. Mahathir Mohammad (LADA 2009). Apart from the urban-based tourism resource, the existing cultural attributes contributed the auxiliary element to further boost tourism development in Langkawi. This cultural element is closely associated with the island's legendary princess named Mahsuri who lived on the island in the 14th century. According to local folklore, she laid a curse upon the island to be misfortune for seven generations because of the wrong accusation that she committed adultery while engaged to a noble warrior.

In June 2007, the island was declared by UNESCO as a World Geopark, after fulfilling the criteria for heritage selection (Komoo 2003). Joining the world's geoparks at being 52nd listed, Langkawi has again boosted its tourism development with natural-based products.

Overall, in the last two decades have witnessed the vast diversification of tourism products (both vertical and horizontal expansion) in Langkawi which can be briefly summarized into 3 main categories:

1. Cultural and heritage tourism products - Air Hangat Village, Craft Cultural Complex, Makam Mahsuri, Batik Art Village, Padang Beras Terbakar, etc.
2. Eco and agro-based tourism products - Pulau Toba, Geoforest Parks (Machinchang Cambrian, Kilim Karst and Dayang Bunting Marble), Laman Padi etc.
3. Urban tourism - duty-free shopping at Kuah town, the Underwater World, shopping at exclusive malls such as the Zone and Shopping Paradise, Langkawi Fair Shopping Complex, riding Langkawi's Cable Car, and the international annual events of Langkawi Maritime and Aerospace Exhibition (LIMA), and Langkawi de la Tour.

²⁸ Officially, Langkawi consists of a total of 99 islands (mainly for marketing purpose), the actually number of islands is 104 (with consideration during the low tide) (LADA 2009).

In terms of visitor arrival, the number recorded 1.8million in 2000, which then impressively increased to nearly 2.24million in 2007 (LADA 2009). Last year it hit the 3 million mark which was actually targeted for 2015. So for next year's 2014 Visit Malaysia Year, the new target for Langkawi is 4 million. Comparing this statistic with its population of 96,726 in 2007 (Town Municipality of Langkawi 2009), the number of visitor arrival to the island has been tremendous.

With the increasing sense in the search for quality tourism experience within the competitive global tourism market, the image of a place is seen as being crucial as an important attribute in decision making for many visitors. Moreover, over diversification of a place may raise the risk of having adverse impacts on the quality of experience among visitors on specific tourism products, thereby thwarting the overall visitor satisfaction level. For instance, urban tourism development requires substantial modern intensive infrastructure facilities while the sustainability of nature-based tourism products lies upon the conservation of an area. When these two products are co-promoted, it may be problematic to maintain the quality of experience in both without compromising the other. Jamil and Badaruddin (2006), for instance, noted the fading and poorly preserved heritage and historical tourism products in Langkawi.

Visitor studies are essential tools to assess the health of a striving tourist destination. Visitors' image of any destination plays a major role not only in the marketing, but it is more vital to analyse how that image is transcribed when it also touches every other aspect of the total experience of the visitor. The goal of this study is to examine how visitor image, as expressed by visitors themselves, relate to the attributes of Langkawi Island as manifested from the activities they indulge in during their stay. This work will demonstrate that there is a direct link between image and the attributes rated by visitors. Hence we approach image as an answer to determine the current position and status of Langkawi as a tourist destination from the market perspective - by revealing the perception among visitors on the image of Langkawi, in order to justify the various government efforts and the provision of tourism products as well as facilities. By doing so, it would assist in the future directive planning of Langkawi as a tourism destination thereby enabling the island to maintain its expected tourism contributions. Finally, although the main focus revolves firmly on the research question, this paper also makes a strong statement in favour of the influence of information received through visitor survey within a standard visitor studies method.

The paper begins with a brief overview of the existing literature on image and leisure choices. Within this context, the concept of image of a tourism destination is discussed in some detail, using findings from visitor surveys conducted in a wide range of different tourist attractions and with different visitor groups. Previous works on destination image is also discussed which, provide the rationale for the methodological approach. The paper concludes with a discussion of key points raised by the findings and their implications for future research and practice.

02. LITERATURE REVIEW

Tourism image, visitor perception and satisfaction are broadly acknowledged for their interrelationship. Tourism image, as defined by Crompton (1979), is a sum of beliefs, ideas, and impressions that a person has of a tourism destination. Perception refers to the subjective element; the method used and the interpretation that visitors attribute to the objects they observe in a landscape (Hull and Steward 1995). In a simple equation, satisfaction = experience – expectation, as an assessment of the experience. Visitor satisfaction is central to whether visitors return, recommend the destination to others or conversely (WTO 2004). It usually contributes to increased rates of the retention of visitors' patronage, loyalty and acquisition, which in turn helps in realizing economic goals like increased number of visitors and revenues (Akama and Kieti 2003).

02.1. Destination Image

The importance of tourism destination image is commonly associated with its effects on individual's perception thereby shaping their subsequent behavior (Stabler 1988; Echtner and Ritchie 1991; Chon 1992; Milman and Pizam 1995; Gallarza et al 2001; Castro et al 2007). It influences visitor satisfaction by sending signals to visitors to compare their experience with expectations which influence their decision in making a destination choice prior to their travel to a destination (Goodall 1988; Crompton and Ankomah 1993; Schofield 1999). Vice versa, the level of visitor satisfaction which is accumulated and evaluated as a conclusion of a stay at a destination may regulate tourism destination image by making a positive compliments about the destination to others to consider the destination as their future choice even in convincing themselves of the intention of future revisit (Chon, 1991; Echtner and Ritchie 1991; Fakeye and Crompton, 1991; Ross 1993; Court and Lupton 1997). The relation between visitor satisfaction and individual perception is reflected in a process where: as one's

evaluation of a landscape can vary during the course of their stay in an area, visitor satisfaction of a destination image is, thus, embedded within the series of their observation of a place- where the individual perception is formed.

More directly, Kotler, Bowen and Makens (1996) suggested a framework to link image with perceived quality and satisfaction that, image will influence how visitors perceive quality where a more positive image corresponds to a higher perceived quality. In return, perceived quality will determine the satisfaction of visitors (Fornell et al 1996; Kozak and Rimmington 2000) because of satisfaction is a result of visitors' assessment of a perceived quality.

On the other hand, research on visitor satisfaction has suggested the convergent relationship between satisfaction with an individual component or product of a destination and the overall satisfaction (e.g. Danaher and Arweiler 1996; Hsu 2003; Mayer et al 1998; Chi and Qu 2008). Yet, it is crucial to differentiate the two since tourism industry is an integrated discipline that brings together various tourism components to support its various products. As suggested by Pizam and Ellis (1999) that the overall visitor satisfaction with a tourism experience is a function of satisfactions with the individual elements/attributes of all the products/services that make up the experience on site. These include accommodation, natural environment, social interaction etc. This notion is crucial especially in analyzing the tourism image of a place, which offers a wide range of products and activities, which may be complement or conflicting from each other.

Goodall (1990) found that tourists' preferences for a certain destination depended on their pre-trip perceptions of that destination. Most studies amply pointed out that destination image may be critical and responsible for the positioning of particular competing destinations in global tourism (Baloglu and McCleary 1999a; Echtner and Ritchie 1993; Laws 1995).

There is very little literature available on the image of Malaysia as a destination country, or specifically on the island of Langkawi; in terms of published research work. Badaruddin (1994) pioneered the study on the image of Malaysia which portrayed the perception of tourists through positioning (Badaruddin et. al, 2003); and the success of a destination that relies on the provision of tourist infrastructure (Badaruddin et. al, 2006). Hernández-Lobato, Solis-Radilla, Moliner-Tena, and Sánchez-García (2006) reinstate the importance of infrastructure:

Tourists must be assured of a pleasant, relaxing and cheerful stay. To manage these emotional elements the traditional tools of creating infrastructures, offering quality service and a varied of entertainment is not enough. (p.355)

02.2. Destination Brand Identity

Tourism destination brand identity specifies what the brand aspires to stand for and has multiple roles. First, it is set to create and maintain a fixed image. Secondly, it represents a vision of how a particular destination should be perceived by its target audience. Thirdly, once it is projected, the destination identity should help establish a relationship between the destination and its market clientele by generating a perceived value either involving benefits or providing credibility, which finally would, endorses the brand destination identity (Konecnik and Go, 2008). As Weiermair (2000) argues that if we begin with the role of image advertising in segmenting market regions, we stand a better chance at getting more popularity votes if we work on authentic tourism landscapes and unique product offerings.

Although in Prayag (2009) pointed out that in latest empirical studies, the role and influence of destination image on future behavioural intentions have been of lesser interest, we could associate our findings with establishing the relationship of perceived image with perhaps the first-time decision to travel instead of merely measuring the effectiveness of marketing effort by the government. The image formed by sources of information other than that from a tourism promotion has a much greater bearing as suggested by Govers (2007).

02.3. Brochure ‘Destination attributes’

Sometimes destinations rely heavily on their marketing brochures to draw tourists from generating markets. In Goodall and Ashworth’s (1988) tourist decision model, there are certain travel motivators related to the visitor’s desire to form an image of the destination. The visitors rank attributes in the destination as soon as they arrive and just before their return departures.

The travel brochure serves not only to heightened awareness amongst potential visitors, but its content knowledge and information aim to simulate a desire to purchase (Jenkins 2003).

Secondly, most research work done measure image as perceived by the ultimate end-user, the visitor. In Hosany *et. al.* 2007, from 1973 to 2000, Pike (2002) identifies 142 destination

image studies that cover the role and influence of destination image in consumer behaviour, image formation and destination scale development. The utmost goal in generating and commercialising a successful destination image is that tourists' perception of the destination should correspond to the one that the marketing managers have tried to project (Andreu *et al.* 2000).

Tasci *et al.* (2007) investigated that past travel behaviour variables have also been explored for their influence on destination image (Baloglu & McCleary 1999a). The attributes adopted in the study of (Murphy *et al.* 2007), are used to further define and structure under cognitive and affective elements (Baloglu and McCleary 1999a) to match image with: *travel motivation, demographics, source of information on the destination, psychographics and length of stay.*

03. METHOD/ APPROACH

The most important results were determined based on data collected during two separate fieldtrips to Langkawi. Visitors were approached as they were entering the places of tourist interest around the island. Every random visitor was met face-to-face and provided with the self-administered questionnaire, although some were rendered assistance due to language barrier.

Functional: Convenience sampling was taken at on-site tourist attractions, identified according to popular visits and mentioned in tour brochures. Visitors' in-transit were also approached while they

wait at a ferry passenger terminal and at the airport.

Data collected from each group of visitors were cross-tabulated and further tested to compare the mean of different categories of visitors in terms of: activities, age group, and perception before and after the trip for analyses to further support the identification of the image. The results to date, pointed out to several important findings evidence of local and foreign visitors' image of Langkawi, being essential to our research.

04. FINDINGS/ DISCUSSION

In most visitor studies, visitor arrivals do represent an important indicator to how tourism on an island fares in terms of sustainable growth.

Using the pre-visit questions we identified the image reported by the visitors. Specifically, eighteen categories of attributes were mentioned in this study: Weather, Transportation- airport, roads, public transportation, Accessibility to any tourist spots, Cultural and legendary attractions, Natural attraction - beaches and islands, Natural attraction - caves and mountains, Urban attractions, Entertainment, Local residents' friendliness towards visitors, Quality of souvenirs, Price of local food, Quality of local food, Customer service, Safety and security, Lodging (e.g., price, management, cleanliness), Interesting island tour package, Visitor facilities (information, maps guides, signage), and Value-for-money. We explore whether it is possible to associate specific attributes with expressed image and examine the same attributes for the image presented before and after the trip.

4.1 Assessment of the visitors' image of Langkawi

A. The level of satisfaction with the destination.

We need to see if there is any significant difference between who seemed more satisfied with Langkawi as a tourist destination (locals or foreigners?). Using the Mann-Whitney U to test their satisfaction level with each attribute.

Table 1

Descriptive Statistic Analysis of Visitor Satisfaction of Langkawi with Key Attributes.

Test Statistics^a

	Mann-Whitney U	Wilcoxon W	Z	Asymp. Sig. (2-tailed)
a. Weather	6166.500	18886.500	-1.350	.177
b. Transportation- airport, roads, public transportation	6569.500	10310.500	-.617	.537
c. Accessibility to any tourist spots	6011.500	9497.500	-.875	.382
d. Cultural and legendary attractions	3793.000	7196.000	-5.523	.000
e. Natural attraction - beaches and islands	5891.000	9461.000	-1.574	.116

f. Natural attraction - caves and mountains	5185.000	8671.000	-2.911	.004
g. Urban attractions	3792.500	7113.500	-5.267	.000
h. Entertainment	5794.000	9364.000	-1.618	.106
i. Local residents' friendliness towards visitors	5999.000	18089.000	-1.348	.178
j. Quality of souvenirs	4245.500	7648.500	-4.713	.000
k. Price of local food	6229.500	19109.500	-1.258	.208
l. Quality of local food	6419.000	19299.000	-.755	.451
m. Customer service	6684.000	19404.000	-.303	.762
n. Safety and security	6415.500	19135.500	-.838	.402
o. Lodging (e.g., price, management, cleanliness)	6010.000	9751.000	-1.567	.117
p. Interesting island tour package	4580.500	8150.500	-4.144	.000
q. Visitor facilities (information, maps guides, signage)	5381.000	9122.000	-2.972	.003
r. Value-for-money	6582.000	10323.000	-.589	.556

In this case, as the results of the test show in the Table 1 above, we can conclude that there is a statistically significant difference, in the Level of Satisfaction (Q17) between local visitors and foreign visitors (Q22). As the observed and expected values are significantly different. However, it is showing sig 2 tail value of less than 0.05 for: *Cultural and legendary attractions, Natural attraction - caves and mountains, Urban attractions, Quality of souvenirs, Interesting island tour package and Visitor facilities (information, maps guides, signage.)*

B. Image of Destination

Next, would like to see if there is any significant difference between local and foreign visitors in terms of their image of Langkawi before their trip.

Table 2.

Image of Langkawi AFTER the trip (Q15) between local and foreign visitors (Q22).

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
										95% Confidence Interval of the Difference
		F	Sig.	t	df	Sig. (2- tailed)	Mean Differenc e	Std. Error Differenc e	Lower	Upper
Image of Langkawi , AFTER your trip. 1 Most appealing	Equal variance s assumed	84.94 2	.00 0	3.292	244	.001	.643	.195	.258	1.028
	Equal variance s not assumed			3.911	243.93 1	.000	.643	.164	.319	.967
Image of Langkawi , AFTER your trip. 2 Less appealing	Equal variance s assumed	6.494	.01 1	- 2.178	241	.030	-.532	.244	- 1.013	-.051
	Equal variance s not assumed			- 2.109	156.91 8	.037	-.532	.252	- 1.030	-.034

Interestingly, results show that there is a significant difference between local and foreign visitors (Q22) in their image of Langkawi AFTER the trip in the *Most appealing* attribute

(Q9), with a p value = 0.000 , and also there is a significant difference between local and foreign visitors (Q22) in their image of Langkawi AFTER the trip in the *Less appealing* attribute (Q9), with p value = 0.037.

Table 3a

Image of Langkawi between local and foreign visitors AFTER their trip in the Most appealing attribute.

Most appealing attribute.		Local Percent	Foreign Percent
Valid	Rich cultural heritage	14.1	2.3
	Adventure, great outdoors	8.3	3.5
	Legends and folklore	16.0	1.2
	Sun, sea and sand	8.3	77.9
	Shopping & night-life	26.9	5.8
	Unspoiled, nature's best	20.5	9.3
	Modern and urban	5.8	
	Total	100.0	100.0

Table 3b

Image of Langkawi between local and foreign visitors AFTER their trip in the Less appealing attribute.

Less appealing attribute.		Local Percent	Foreign Percent
Valid	Rich cultural heritage	10.1	10.6
	Adventure, great outdoors	5.1	28.2
	Legends and folklore	14.6	3.5
	Sun, sea and sand	10.1	7.1
	Shopping & night-life	28.5	23.5
	Unspoiled, nature's best	23.4	21.2
	Modern and urban	8.2	5.9
	Total	100.0	100.0

In the final analysis, we are keen to know if there is a difference in percentage between local and foreign visitors in their image BEFORE and AFTER their trip in both *Most appealing* and *Less appealing attributes* and to further test it using the Mann-Whitney U.

Among the 246 respondents in our research, 86 were foreigners. The activities that were participated by the foreigners that were also done by local visitors: *golf, interact with the local residents, sun-bathing/ swimming* and typically activities on an island resort. Results also show the image of the island's attributes was not assessed the same way by the two groups. As in a lot of Asian countries, *Cultural and legendary attractions and Quality of souvenirs* seem to be doing well among all the other attributes. The locals go for the Cultural and legendary attractions as well as the souvenir shopping, and these were also showing the same pattern of activities among the foreign visitors. In terms of the true image of Langkawi to these two visitors, it is consistent that the image is still significantly no difference between either the locals or foreign visitors.

05. CONCLUSION

Visitor studies should be carried out on a regular basis, in order to check the status of the tourism industry in the eyes of the end-user. We need to pull away from the supply side in order to study the market itself. Further studies must be undertaken, better measures must be developed, and more varied samples from local and international visitors must be used to improve our understanding concerning the exact relationship between perceived image and travel decision making.

Despite some deficiencies in our methodology, to the extent that this research is exploratory i.e. trying to investigate an emerging issue, the study has provided some insights to account for destination attributes of Malaysia across national borders. These attributes could further be associated with the island's resources in order to assess visitor's image of Langkawi. The scope of image dimensions could be further expanded into a wider variety of image dimensions, encompassing a whole range of attributes both cognitive and affective, in relation to Malaysia's colourful destination fabric.

These findings call for a comprehensive analysis of the characteristics of visitors that use specific attractions and their services. Consequently, it could be useful to break down further the attributes into sub-groups in order to disassociate between the "noun" attributes and the 'verb' or activities-to-do. In this era of more dominance of participative-tourism, activities-to-do can make or break a tour package typically organised by the travel agents. We anticipate the investigation of visitor motivations, and their relation with dynamics of the visiting experience, to provide significant insights toward achieving the true destination image of the visitor.

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**THE EFFECTS OF TERRORISM ON THE CONSUMER BEHAVIOUR
OF UK TOURISTS: AN EMPIRICAL STUDY INTO THE TIME TAKEN
FOR LEISURE TOURISTS TO ACTIVELY CONSIDER
DESTINATIONS AFFECTED BY TERRORIST ACTIVITY.**

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Abstract

This study examined the effects of terrorism on the decision-making process of British tourists in an attempt to understand their willingness to consider destinations that have been affected by terrorism. There are few empirical studies dealing with terrorism and its effects on tourist decision-making in the UK, particularly in relation to how long respondents would wait before considering visiting a destination that had been affected by terrorist activity in the past ten years. The main aim of the study was to understand whether consumers would place destinations affected by terrorism in their evoked set of possible destinations and if so how long would they wait after a terrorist incident to actively consider that destination as a possible holiday choice.

A probability sample of 314 respondents was questioned to ascertain whether attitudes differed between different segments of UK tourists based on demographic and behavioural backgrounds. The results show significant differences between UK tourists on number of key variables, which will enable tourism marketers to have a better understanding of UK tourist consumer behaviour in relation to this possible barrier to travel.

Keywords: *Consumer Behaviour, Travel Behaviour, Tourist Decision Making; Terrorism; Tourism*

01. LEISURE TOURISTS TO ACTIVELY CONSIDER DESTINATIONS AFFECTED BY TERRORIST ACTIVITY.

In this era of unlimited choice, tourists have many alternatives to choose from. Whether or not they choose destinations that are prone to terrorism is questionable. The need for safety is paramount to many people, terrorism itself brings with it fear and insecurity, therefore the question is will these potential tourists decide on alternative locations. This paper will research issues relating to tourism and terrorism in an attempt to understand the effects on the decision-making process of British tourists and subsequently add further knowledge to the role of tourism behaviour. As terrorism looks like remaining a real global problem for the foreseeable future, there is a need to understand consumers' attitudes and perceptions of these acts and to understand their reluctance to venture to destinations that have experienced this problem.

Although the phenomenon of terrorism has become a familiar occurrence of modern times (Richter and Waugh, 1986; Hall, 1994; Hall and O'Sullivan, 1996; Wahab, 1996; Sonmez and Graefe, 1998) there are few empirical studies and limited background information dealing with terrorism and its effects on tourism decision-making. Previous research studies have tended to concentrate on the relationship between terrorism and tourism (Richter and Waugh, 1986; Richter, 1989; Ryan, 1993; Pizam, 1996, 1999, 2000, O'Connor, 2010), the impacts of political instability on tourism (Seekings, 1993; Hall, 1994; Richter 1999) and the implications for tourism marketing (Gartner and Shen 1992; Buckley and Klemm, 1993; Hall 1994, Kozak, 2007).

Therefore, this study endeavours to investigate the effects of terrorism on UK tourist's decision-making process in an attempt to understand their willingness to consider a destination that has been affected by terrorism. The paper will examine attitudes of tourists towards destinations that have been subject to terrorist activity and try to ascertain if those attitudes differ between different segments of tourists. Subsequently this will give a valuable insight into how certain segments of this leading tourist generating market are likely to behave during their decision making process which will enable those involved in marketing to target relevant marketing campaigns at those segments most affected.

02. Literature Review

Until fairly recently, scholarly attention given to the relationship between terrorism and tourism did not match the topic's significance. According to Sonmez and Graefe (1998) it has only been since the mid-1980s that scholars from diverse disciplines have examined the relationship between terrorism and tourism. While contributions to the topic have shed light on the tourism industry's predicament resulting from terrorism, especially since 9/11, large scale empirical research on the whole the level of research is shallow, with too many authors echoing each other in reviewing the well-documented incidents of terrorism. Even so, there does seem to be a consensus of opinion on the various issues that link terrorism and political instability to the tourism industry, with several theoretical studies offering valuable insight and help in advancing the understanding of the unique relationship between terrorism and tourism (Aziz, 1995; Hall, 1994; Pizam, 1999; Richter, 1983; Richter and Waugh, 1986; Seekings, 1993; Ryan 1993; Wahab 1996).

Initial research linking terrorist objectives with tourism was put forward by Richter and Waugh (1986) and Ryan (1993) who stated that the relationship between terrorism and tourism can be said to range from the committing of crime where the tourist setting is incidental, to at the other extreme, a situation where tourists and tourist facilities are deliberately sought as objects of terrorist action. Hall (1994) continued the debate by stating tourism is affected by terrorism by creating an image of lack of safety.

According to Kozak et al. (2007) high-perceived risk and safety concerns have become a central issue of visitors' decision-making evaluations. In order to understand how terrorism and the resulting issues of safety impacts on tourist evaluations it is necessary to examine decision making models and choice sets that have been put forward by authors.

Traditionally consumer researchers have approached decision-making from a rational, behavioural perspective. The behaviourist approach normally examines each aspect of the decision-making process, which normally takes the form of problem recognition; information search; evaluation of alternatives; product choice and outcomes. Those researchers examining issues relating to choice set models tend to concentrate on one part of the process – the evaluation of alternatives. This can be described as the process of narrowing down product choices to an acceptable number by placing alternatives into various sets.

Within modern marketing literature, one of the most common structures for choice sets is to divide them into three elements: the evoked set; the inept set and the inert set (Schiffman and

Kanuk, 2013). According to Sheth (1974) the evoked set consists of the alternatives actively considered during a consumer's choice process and is generally small in number. Narayana and Markin (1975) defined the reject set of brands, or 'inept set', as those brands the consumer has rejected from his or her purchase consideration, either because they have involved unpleasant previous experiences or because they have heard negative comments about them from other information sources, such as friends. Narayana and Markin (1975) also proposed an 'inert set' of brands as a product category for which the consumer has neither a positive nor negative evaluation as they have no awareness of the product.

Woodside and Sherrell (1977) applied these three same elements to tourism. They described the evoked set as travel destinations that the consumer is aware of and has some chance greater than zero of visiting within some time period (e.g., a year). The inert set as those destinations that the consumer has no awareness of, and finally, the inept set, which are the destinations that the consumer is aware of and has zero chance of visiting within some time period. Although these terms are the most widely used within the literature to describe particular sets, many academics have used different descriptions.

Although perceived risk reduction has been examined in many disciplines such as cognitive psychology, marketing, and sociology, perceived risk theory has not been fully integrated into tourism literature (Slevitch & Sharma, 2008). While most academics and practitioners agree that tourism and travel thrive only under conditions that provide tourists with maximum safety and protection, few attempts have been made to examine cognitive issues related to risk and safety in destination management (Schiebler et al, 1996; Cunningham et al., 2005). Most of the tourism research on risk has been related to the issue of facilitators versus inhibitors or constraints, rather than empirically testing the role of risk in the decision-making process of tourists. Further still, the aspect of terrorism related risk on tourist decision-making has received even less attention and is confined mostly to the work of Sonmez & Graefe (1998) and more recently Kozak et al. (2007).

Sonmez & Grafe (1998) examined risk perception theories from the psychological literature and related this to literature based on the models and theories in the tourism literature. From these two sources of information they conceptualised a framework, which combines the decision-making process with the external influence of terrorism risk. The framework uses as its backbone the decision-making process utilised in most of the tourism decision-making models.

Using this framework Kozak et al. (2007) carried out a study of 1180 travellers visiting Hong Kong. The research findings showed that the majority of travellers are more likely to change their travel plans to a destination that has elevated risk while the minority reports they are more unlikely. These findings suggest that international travellers appear to be sensitive towards the occurrence of any type of risk in their evoked destinations. Of the 1180 respondents, 83.8% reported that they were likely to change their travel plans to a destination that has elevated risk. Respondents who were unlikely to change their travel plans were more likely to be male, older, experienced in international travel and more likely to reside in countries that are categorised by Hofstede (2001) as medium-UAI national cultures.

Other studies after the 9/11 attacks also indicate increasing cancellation of travel vacation plans (Chen and Noriega, 2004; Floyd *et al.*, 2004). These studies focused on how potential visitors perceived the importance of safety and security concerns in a destination or activity based choice and how these visitors are likely to participate in domestic or international tourism and travel activities. In the study by Floyd et al. (2004) the effect of perceived risk on travel intentions during the period of aftershock following September 11, 2001 was examined. The results suggest that ‘ income, past air travel experience, perceived safety concerns, and perceived social risks were the best predictors of intentions to travel (in the next 12 months) two months following the 9-11 events.

03. Method

This study used stratified sampling, which is a probability sampling technique that uses a two-step process in which the population is partitioned into sub-populations, or strata. Elements were then selected from each strata by a random procedure. Data was collected through a mailed self-administered questionnaire. From the 1000 questionnaires mailed to respondents in the sample, a total of 360 (36%) were returned, of which 46 questionnaires were either partially or not completed at all, leaving 314 questionnaires available for data analysis on SPSS. All questionnaires were coded to identify the ward, street and house number to which the questionnaire was delivered. This enabled identification of non-responding households and enabled reminders to be sent out to those respondents to urge them to reply to the questionnaire in order to maximise response levels and reduce non-response bias.

Instrumentation and Operationalisation of Variables

As this research is concerned with how terrorism affects tourist decision-making, it was necessary to understand how terrorism affects tourists' evaluation of the possible alternatives available. Therefore a selection of questions were put forward to the respondents in the questionnaire to ascertain their willingness to visit destinations that have been subject to terrorist activity. The first question asked whether the respondent had visited a destination that has been subject to terrorist activity in the past ten years. This question was asked in order to ascertain the percentage of respondents who have actually visited a destination that has been affected by terrorist activity. Those respondents who had not visited a destination affected by terrorism were then asked if they would or would not consider visiting such destinations by placing them in their 'evoked' or 'inert' set of possible destinations. The final aspect examined in order to gauge the effects of terrorism on holiday decision-making was to ascertain how long respondents would wait before considering visiting a destination that had been affected by terrorist activity in the past ten years.

These dependent variables enabled the author to gauge the extent to which terrorism has had an impact on the evaluation of the possible alternative destinations available to respondents. Independent variables (personal characteristics, holiday behaviour patterns and importance of terrorism risk) were then tested against the three dependent variables discussed above. In general, only those findings to be found statistically significant are discussed. The level of significance when analysing the differences between groups and means is 0.05, those results that fall below that level will be considered non-significant.

Both parametric and non-parametric tests were utilized to maximize the robustness of the results. When reporting the findings generally only the parametric results are discussed, unless there are differences between the parametric and non-parametric tests that have implications for the results. Tests used included ANOVA, Chi –square and and t-tests.

04. Results

In total, 26.4% of 314 respondents sampled have visited a destination affected by terrorism. Tests were undertaken of those who had visited to ascertain whether there were any statistical differences between respondents based on certain independent variables. As can be seen Table 1, out of the thirteen variables tested, four were found to be significant in relation to having visited a destination affected by terrorism in the past 10 years. Those variables were

gender ($p = .006$), **occupation** ($p = .000$), **education** ($p = .001$) and **importance of terrorism risk** ($p = .000$).

Table 1

Independent variables tested and areas of significance

	Have visited a destination effected by terrorism	Would consider destination terrorism	actively visiting a destination effected by terrorism	How long respondents would wait before considering a destination that has been effected by terrorism
PERSONAL CHARACTERISTICS				
Gender	.006	.292	.001	
Age	.934	.017	.620	
Marital Status	.981	.583	.130	
Children	.148	.283	.001	
Age of Children	.926	.897	.215	
Occupation	.000	.001	.123	
Education	.001	.000	.128	
FLC	.799	.052	.450	
SAFETY AWARENESS LEVELS	.178	.000	.068	
HOLIDAY BEHAVIOUR				
Type of Holiday	.242	.000	.081	
Holiday Companions	.659	.509	.128	
Who decides on Holiday destination	.196	.384	.102	
IMPORTANCE OF TERRORISM RISK	.000	.000	.001	

The next set of questions targeted those respondents who had not previously visited destinations that had been subject to terrorist activity in the past 10 years. In order to gauge their willingness to consider destinations affected by terrorism, they were asked a simple yes/no question to whether they would ever actively consider a destination affected by terrorism as a possible holiday destination. A total of 58% of respondents sampled would actively consider visiting a destination that had been subject to terrorist activity. A set of tests were then undertaken to ascertain whether there were any statistical differences between them based on certain independent variables. As can be seen in Table 1, out of the thirteen variables tested, six were found to be significant in relation to whether respondents would ever consider visiting a destination affected by terrorism in the past 10 years. Those variables were **age** ($p = .017$), **occupation** ($p = .001$), **education** ($p = .000$), **general safety awareness levels** ($p = .000$), **the type of holiday most often purchased** ($p = .000$) and the **importance of terrorism risk** ($p = .000$). The personal characteristics of gender, marital status, children in household, age of children in household and family life cycle were not found to be statistically relevant.

The level of formal education variable was found to be the most highly statistically relevant ($X^2 = 33.229$, d.f. = 3; $p = .000$). Respondents with higher levels of formal education are far more likely to consider visiting those affected destinations. For instance 83.6% and 76.9% of those respondents educated to degree and post graduate respectively would consider visiting a destination that has recently been subject to terrorist activity, compared to just over 40% for those respondents educated to the age of 16 and under. The variable of occupation was also found to be highly statistically relevant ($X^2 = 26.768$, d.f. = 8; $p = .001$). Respondents in more senior positions are far more likely to consider visiting those affected destinations. For instance all those people who are in professional occupations (100%) would consider visiting a destination that has been effected by terrorist activity compared to just 27.3% for those in unskilled occupations. The final demographic characteristic to be found statistically relevant was the age of the respondents ($X^2 = 13.741$, d.f. = 5; $p = .017$). Results show that apart from the youngest (those under 24 years) there is a clear trend that as age increases then there is less likelihood to consider those destinations affected by terrorism.

When looking at the other factors, the safety awareness levels of respondents were also found to be highly statistically relevant ($X^2 = 19.589$, d.f. = 2; $p = .000$). Respondents with lower general levels of safety awareness are far more likely to consider visiting those effected

destinations. For instance 80.6% of those respondents considered to be least concerned with the issue of safety in everyday life would consider visiting a destination that has recently been subject to terrorist activity compared to just 36.2% for those respondents who are more safety concerned. Finally when looking at whether respondents would consider destinations affected by terrorist activity in their evoked sets, chi-square tests revealed that the 'type of holiday most preferred' by the respondents showed a highly statistically significant relationship ($X^2 = 21.215$, d.f. = 2; $p = .000$). Respondents who prefer semi-package or totally independent tours are far more likely to consider visiting a destination that has been subject to terrorist activity with 74.3% and 65% respectively agreeing with the statement, compared to just 42.9% for those respondents who prefer to take fully-packaged tours.

The next dependent variable examined in order to gauge the effects of terrorism on holiday decision-making was to ascertain how long respondents would wait before considering visiting a destination that had been affected by terrorist activity in the past ten years. Out of the total sample ($n = 314$), the 58% of respondents ($n = 164$) who stated that they would consider visiting a destination that had been subject to terrorist activity were then asked how long they would wait before actively considering such destinations in their 'evoked' sets. The results are illustrated in Table 2.

The majority of respondents (55.5%) indicate they would consider visiting a destination that had been subject to terrorist activity after a time-span of between one and two years. This figure increases to nearly 90% of respondents who would consider a destination within four years. As can be seen in Table 1, out of the thirteen variables tested, three were found to be significant in relation to how long the respondent would wait before actively considering a destination that has been affected by terrorist activity. Those variables were **gender** ($p = .001$), **whether or not there were children present in the household** ($p = .001$) and the **importance of terrorism risk** ($p = .001$).

Table 2
Time before visiting a destination affected by terrorism

Time	Frequency	Valid %	Cumulative %
Straight Away	13	7.9	7.9
Less Than a Year	31	18.9	26.8
1 to 2 Years	47	28.7	55.5
2 to 3 Years	33	20.1	75.6
3 to 4 Years	22	13.4	89.0
Over 5 Years	18	11.0	100.0
Total	164	100.0	

It is clear from the findings (see Table 3) that females waited longer than males before considering those destinations affected by terrorist activity as well as those respondents who had children. As would be expected, when there are children living at home there is a longer time span before consideration is given to visiting a destination that had been affected by terrorist activity.

Table
Gender/ With or Without Children and the length of time before visiting a destination that has been subject to terrorist activity

Group I	Mean	Group II	Mean	Z	Sig.	T	Sig.
Male	3.0526	Female	3.7955	-3.227	.001	3.014	.001
With Children	3.8986	Without Children	3.1263	-3.401	.001	3.536	.001

1= Straight Away; 2= Less than a year; 3= 1 to 2 years; 4= 2 to 3 years; 5= 3 to 4 years; 6= Over 5 years

05.Discussion

When examining the major differences between respondents and whether they would ever consider visiting destinations affected by terrorist activity, the variables of occupation and education showed the highest levels of differences of all the personal characteristics tested. Those respondents in higher social class groupings based on their occupation and those with higher educational levels were also far more likely to actively consider visiting affected destinations than those in lower groupings. It seems justifiable, therefore, to state that those in higher groupings based on social class and educational attainment show a much more positive attitude in their perceptions of destinations affected by terrorism activity. Indeed, out of all of the personal characteristics tested, these two variables demonstrate the strongest relationships.

Although there were no statistical differences between age and visitation, there were statistically significant differences between an individuals' age and whether they would actively consider a destination that had been subject to terrorist activity. As expected the results showed that generally as a person gets older, the less likely they are to place a destination into their evoked set of possible destinations. For instance, 72.9% of those aged between 25 and 34 would consider visiting an affected destination, compared to only 40.9% of those aged 65 and over. This seems to uphold the commonly held belief that as individuals become older they generally become more wary of issues relating to their safety.

The biggest surprise, however, was that the influence of children was insignificant. There were no statistically significant differences between those respondents with children and whether they would ever consider visiting a destination affected by terrorism. There were also no major differences between those respondents who would/ would not consider visiting destinations affected by terrorism based on the ages of children present within a household. The variables of family lifecycle and marital status also showed no statistical differences.

Of the holiday behaviour patterns examined, the only one to be found statistically significant was the type of holiday most commonly undertaken, which showed highly statistical differences ($p = .000$). There was a clear trend that willingness to consider destinations affected by terrorist activity increased as respondents moved from full-package to totally independent tours as their most common choice of holiday type. This finding would seem to justify further the research carried out by Plog (1974) and his links between personality traits and tourist behaviour. Plog (1974) stated that those tourists who most often prefer familiar

package resorts tend to be less adventurous and more safety conscious. Allocentrics, on the other hand, are less safety conscious, adventurous and motivated to travel/discover new destinations preferring independent holidays with greater involvement in local cultures. This would seem to be the case with these findings.

When examining how long respondents would wait before considering a destination affected by terrorist activity, the first significant difference found was between genders. The statistical test discovered females were more likely to wait longer before considering destinations that had been subject to terrorist activity. Again, this supports research which shows women place greater importance on safety in destination decision-making than men. It would seem logical that as women place more importance on safety, there would be statistically significant differences again when looking at the length of time it would take before considering affected destinations. Overall, the variable of gender was found to be statistically different between males and females on two of the questions asked in relation to willingness to visit destinations affected by terrorism in the last 10 years. On both occasions females had a more negative evaluation of affected destinations than males.

Highly statistically significant differences ($p = 0.01$) were also found between respondents on the basis of whether they had children and the length of time it would take to actively consider a destination affected by terrorism. This seems to suggest that although there was no difference in whether respondents would or would not actively consider destinations affected by terrorism because they had children, those respondents who would consider affected destinations are more likely to wait longer before considering a destination that they perceived as being a target in the past for terrorist activity, if they have children present in their households. It had been expected that children would be a major influence, due to past research that stated that children exercise a substantial influence on destination decisions (Dann, 1977). From these findings, however, the variable of having children was not as significant as was expected, with only one of the questions regarding respondents willingness to visit destinations affected by terrorism having statistically significant responses.

No statistically significant differences were found between the age of respondents' children and the length of time they would wait before actively considering visiting a destination affected by terrorism. It seems therefore, that although the presence of children within a household leads to longer waiting times before consideration of a destination affected by terrorism, the actual ages of the children are irrelevant. It had been expected that the younger

the age of children in a household the less likely there would be of positive evaluations of destinations effected by terrorism in relation to destination selection. This would have been in line with research carried out by Witt and Goodale (1981), who had stated that leisure barrier scores were highest for parents when children around the age of six were present in the household. However, in this research there were no statistical differences found in responses to any of the three questions involving children and willingness to visit destinations affected by terrorist activity.

No statistically significant differences were found between respondents' ages and the length of time it would take before considering a destination that had been affected by terrorism. It had been expected that as the age of a respondent increased there would be more likelihood that they would take longer in considering visiting destinations affected by terrorism. The variable of age was found to be statistically significant on only one of the questions asked to gauge the willingness of respondents to visit destinations affected by terrorist activity. This was surprising, as age had been expected to be one of the most statistically significant variables.

Finally, the variables of occupation and educational attainment were also found to be insignificant when related to the length of time respondents would take before considering visiting destinations affected by terrorist activity. These two variables had shown highly significant differences in relation to whether respondents had visited a destination affected by terrorism and whether they would consider visiting an affected destination. These two variables overall have been shown to be highly important variables in relation to whether respondents positively evaluate destinations affected by terrorism.

06. THE OVERALL CONTRIBUTION OF THIS RESEARCH

This paper examined tourist decisions made within the context of terrorism related risk. Decisions involving risk in general or terrorism risk in particular, involve a complicated process that has received limited research attention. Whether real or perceived, risks associated with tourism place serious constraints on the behaviour of potential tourists.

By looking at past tourism figures of destinations that have been subject to terrorist activity, there is no doubt that terrorism and political instability has curtailed tourist visitation. It is likely that behaviour is as constrained by perceived risk as it is by actual risk. What this

research has highlighted is the differences between respondents in their evaluation of destinations affected by terrorist activity based on a range of personal characteristics. Utilising decision-making models developed in consumer behaviour as the main theoretical framework, this research has related findings to the factors that both influence and curtail tourism activity.

These research findings can be applied practically in the tourist-marketing field. It is important for the tourist industry to examine marketing aspects such as consumer behaviour and decision-making in order to increase knowledge of consumer characteristics that will enable marketers to understand more fully purchase behaviours of potential tourists. This research illustrated the influence of demographic and other variables that can help in marketing segmentation. Results have shown that perceived risk can act as a deterrent for certain tourists to positively evaluate destinations that have been subject to terrorist activity and that these evaluations differ according to certain demographic variables. It is crucial for destination marketers to understand tourist perceptions and differences among perceptions between consumers based on their personal characteristics in order to tailor promotional messages accordingly. By understanding these differences and influences travel professionals will be able to plan and implement marketing activities that will address tourist concerns, correct false negative perceptions and reinforce positive ones more appropriately.

07. RECOMMENDATIONS FOR FUTURE RESEARCH

This research has illustrated the affects of terrorism on the tourism decision-making process of tourists. Up to now there has been a limited amount of empirical research conducted on this topic, therefore, it is hoped that the findings of this research can lead to more empirical research being conducted.

Future research could be conducted within other countries, as the results of this paper can only be extrapolated to residents living within Britain. Although the U.K. is a major tourist generating country, other countries in Europe, Asia, Australasia and the Americas also have large generating tourist markets, which could be researched to understand the affects of terrorism on their destination decision-making. The United States would be an interesting country to research, as it has always been thought of as one of the regions most sensitive to the effects of terrorism on tourism travel. Research comparing the U.K. and the U.S. would

expand knowledge within this field, detailing the differences between two of the biggest markets.

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AN EVALUATION OF THE PERFORMANCE OF SRI LANKAN HOTEL WEBSITES: A CUSTOMER PERSPECTIVE

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Abstract

Website provides the key interface for customer use of the Internet. Increasingly, a Website has an important role to play in the hotel industry as it encompasses different interactive tools, dimensions and attributes to achieve excellence in functionality and usability as a marketing and management tool. Thus, it is essential for hotels to evaluate and improve Website performance in order to keep and increase their online presence and competitiveness in the marketplace. One way to investigate the effectiveness of hotel Website is from the perspective of customers. Consequently, this exploratory research attempts to investigate the performance of Sri Lankan hotel Websites in terms of seven information dimensions; facilities information, customer contact information, reservation and prices information, surrounding area information, management of the Website, hotel information and communication; developed through a comprehensive Web content analysis of World's top 25 hotel brands. Data stemmed from a content analysis of 50 Sri Lankan hotel Websites stratified across two independent variables; class of the hotel and resort region and a questionnaire survey addressed to 200 customers, out of which 127 are valid. Results indicate that Sri Lankan hotels make small use of their hotel Website potential and they are rated low with regard to critical dimensions such as reservation and prices information and medium regarding facilities information and customer contact information. Findings of this study assist hotel management with the reallocation of their resources and efforts in order to support Website development and to sustain a competitive advantage.

Keywords: *Evaluation, Performance, Website*

01. INTRODUCTION

In an era of rapid technological and market turbulence of the Internet along with wide internationalization, adoption of the Internet for business transactions has become an important strategic orientation for an organization to create superior customer value, thus competitively advantaged in the long run (Kimilogu, 2004). For any organization with an online presence, the Website is an important tool that can be used to achieve many purposes (Murphy et al., 1996) such as delivering a wide variety of information and services (Hoffman et al., 1995), communication with customers and facilitation of business transactions (Peterson et al., 1997). It has been argued that organizations of any size and any sector can benefit from the Internet (Hoffman and Novak, 1997). However, presence on the Internet is not a guarantee of success (Murphy et al., 1996). The very large and growing number of Websites is making it more difficult for organizations to attract visitors to their Websites and to convert them into customers (Zafiropoulos and Varna, 2006). As Murphy et al. (1996) pointed out even if an organization attract visitors to its Website, the next issue is how to offer a cost-effective, attractive and content-rich Web experience resulting in high proportion of repeat visits and online sales. Thus, developing and maintaining an effective Website has become critical to the success of an organization.

Many factors are affecting success of a Website. In this context, a multitude of studies on Website evaluation in terms of Website design, usability and performance have been advanced. Moreover, numerous Website checklists have been developed for the purpose of identifying evaluation criteria of Website performance. Although body of literature pertaining to Website evaluation is flourishing, in the tourism industry, specifically in Sri Lankan context, there are only a few studies on Website evaluation. On the contrary, previous Website evaluation models have taken into consideration managers' views mostly (Scharl et al., 2004; Schmidt et al., 2008). It has also been claimed that it is vital to examine customers' perceptions about a Website because these views give a clue on effective Website management and determine the eventual success (Murphy et al., 1996; Palmer, 2002; Scharl et al., 2004; Zafiropoulos and Varna, 2005). On this background, this paper contributes to Website evaluation by proposing an evaluation framework to measure and evaluate Website performance in terms of seven information dimensions. This paper is structured as follows. Following the introduction, the effectiveness of a Website and the Website evaluation criteria are discussed. Then, the research methodology is discussed followed next by the detailed

discussion on analysis of research findings. At the end, the discussion on the current situation with regard to performance of Sri Lankan hotel Websites as well as some practical implications of the proposed evaluation framework is presented.

02. LITERATURE REVIEW

Effectiveness of a Website

Having a Website provides an organization with important business opportunities and a competitive edge. At present, majority of organizations are using their Websites as a mass media tool; ignoring the potential of the Internet for interactivity and one-to-one communication (Schmidt et al., 2008). However, as more and more Websites proliferate, the competition among them is intensifying. Customers can switch to another competitive Website with just a one mouse click (Scharl et al., 2004). Consequently, many organizations suffer from low awareness about their Websites among target customers and not knowing to differentiate their Websites from other sites are still the basic problems for them in online business. Since an effective Website is critical to the success of an organization, the usability and design of Websites has received much attention during the last two decades.

Murphy et al. (1996) claimed that providing information is the basic goal of a Website while Palmer (2002) highlighted that content is the key factor driving customers to Websites. In amalgamated with Palmer (2002), Scharl et al. (2004) highlighted that an effective Website should serve as a major source of information, providing complete information on the products and services; allow quick access to information through tools like search engines; and provide decision aids to help in evaluating the alternatives. Thus, as many scholars emphasized, the effectiveness of Website is particularly important, because it directly influences the perceived image of the organization and creates a virtual experience for the customer. This experience is greatly enhanced when a Website offer interactivity. Yet, many organizations still do not have adequate knowledge to build a useful Website. Some organizations have placed a lot of information onto their Websites, but do not include relevant information or arrange the information in an appropriate order. More importantly, some organizations' Websites are not updated regularly. The outdated information may eventually be negative for an organization's image.

Website Evaluation

Website evaluation has been proliferated in the past two decades (Palmer, 2002; Schlar et al, 2004; Zafiropolus and Varna, 2006). Academic research has identified a number of criteria for Website evaluation. Except from information availability and content, these include ease of use or usability, privacy/security and graphic style (Zafiropolus and Varna, 2006). Moreover, quality issues surrounding Website design, in general, have been studied (Palmer and Griffith, 1998) and much has been written about the Website design by the human engineering, business, and user interface perspectives (Schmidt et al., 2008). Palmer (2002) studied the usability and effectiveness of Websites in the context of e-commerce. According to him, customers' satisfaction is an important aspect in Website evaluation. Moreover Palmer and Griffith (1998) measured the customer's attitudes towards Website evaluation, using five dimensions whereas Palmer (2002) evaluated Websites using four different criteria. Murphy et al. (1996) was one of the pioneers in developing Website quality evaluation methods. His evaluation method was called "QEM". Later, Scharl et al. (2004) developed the "WebQual" for measuring Website service quality. In contrast, Schmidt et al. (2008) pointed out that perceived electronic service quality (e-SQ) could be represented by 11 dimensions whereas Zafiropolus and Varna (2006) came up with "E-S-QUAL", a multiple-item scale for assessing electronic service quality.

There have also been various approaches on Website evaluation in the tourism sector. Wan (2002) evaluated the Websites of international tourist hotels and tour wholesalers in Taiwan, using three evaluation criteria: user interface, variety of information, and the presence or absence of an online reservation system. Another approach was made by Scharl et al. (2004), who used the extended model of Internet commerce adoption in order to evaluate the level of Website development. Following these studies, Schmidt et al. (2008) analyzed the distribution and classification of tourism Websites, explored their functionality, and assessed user satisfaction. Law and Jogoratnam (2005) also investigated the usability of hotel Website whereas Buhalis and O'Connor (2005) examined various factors contributing to the success of a hotel Website. Buhalis and Jun (2011) pointed out that information quality, sensitivity content, and time are the three dimensions that influence the intention to purchase on hotel Websites.

The Evaluation of Hotel Website

The Internet has also dramatically changed the competitive dynamics of hotel industry (Zafiropoulos and Varna, 2006). As Law and Jogorathnam (2005) pointed out, hotel industry has been facing a technology-based revolution and high-profile and high-tech services have become a demanding requirement by a majority of technology-savvy sophisticated hotel guests. Consequently, clearly there has been an unprecedented increase in the uptake of technology, especially the Internet and the World Wide Web (WWW) in hotel industry over the past few years and shows no signs of slowing down (Main, 2001).

The evaluation of usability and design of Websites has received much attention in the hotel industry (Buhalis and Jun, 2011). Previous studies have shown that the use of Websites in hotel industry focuses more on advertising and promotions (Murphy et al., 1996; Palmer and Griffith, 1998; Palmer, 2002; Scharl et al., 2004; Schmidt et al., 2008; Zafiropoulos and Varna, 2006). More specifically, number of scholars (Main, 2001; Scharl et al., 2004) has found that there are differences in the performance of hotel Websites among different hotel categories and differently scaled hotels (i.e. small, medium, and large businesses). Table 1 sums up some of the results of Website evaluation in the hotel industry from previous studies. Most studies used checklist format in terms of "yes" and "no", and the number of Website evaluations ranged between 25 and 328 Websites. Despite the fact that most studies of content analysis of Websites in the hotel industry have been conducted in North America and European countries including Germany, Switzerland, Austria and Greece (Murphy et al., 1996; Palmer and Griffith, 1998; Palmer, 2002; Scharl et al., 2004; Zafiropoulos and Varna, 2006), there is very limited, if any, research on the Website evaluation of hotels in Sri Lanka.

Table 1

Previous Studies about Website Evaluation in the Hotel Industry

Authors	Methodology	Sample Size	Key Findings
Murphy et al. (1996)	Keyword search to get a sample of hotel Websites	20 chain hotels and 16 free standing hotels in North America	E-mail and some type of travel information were the most common features
	Content analysis of the hotel Websites (Evaluate 32 features provided by the hotel Websites and then group them into four broad nonexclusive categories as promotion and marketing, service and information, interactivity and technology and management)		Less than half had a functioning reservation system
Palmer and Griffith (1998)	Content analysis of the hotel Websites	250 randomly selected Websites of US Fortune 500 firms	Website design is determined by the interaction between an organization's marketing function and technological characteristics
Palmer (2002)	Longitudinal study (data collected in 1997, 1999 and 2000 from corporate Websites via a jury, third party rating and a software agents)	1997 - 250 randomly selected Websites of US Fortune 500 firms	Also level of consumer involvement, information search costs and innovation in technology are playing a major role in Website design
		1999 - 250 randomly	Website success is significantly associated with download delay (speed of access and display rate within the Website) , navigation (organization, arrangement, layout and sequencing), content (amount and variety of product information), interactivity (customization and interactivity) and

		selected Websites of Global Fortune 1000 firms	responsiveness (feedback options and FAQs)
		2000 - 1999 - 250 randomly selected Websites of Global Fortune 1000 firms selected from the 750 not utilized in the 1999 study	
Murphy et al. (2003)	Selected sample using stratified random sampling based on the following independent variables: Swiss Hotel Association categories (number of stars), number of rooms, linguistic regions (German, French or Italian) and geographical location (city, mountains, lake or other)	200 Swiss hotel Websites	Following Website features- brochure requests, online service, entertainment, news, online promotions, hyperlinks, branded URLs, booking requests, personal profiles, online guest bookings and control of personal data gives a hotel an immediate opportunity to standout from competition
	Used content analysis (adapted from several benchmarking studies) to evaluate features on the Websites		Five of those features - brochure requests, online service, entertainment, news, online promotions; reflect currency and keep site lively
	Assessed hotel's e-service by measuring actual response to a short e-mail message		Booking requests, personal profiles, online guest bookings and control of personal data move a site to an advanced level of interactivity and enable inherent commitment to e-service

			Effective e-mail use (i.e. answered the email promptly, politely, professionally and personally) give hotels an immediate competitive advantage
Scharl et al. (2004)	Web content extraction and analysis	328 hotel Websites in the German speaking Alpine region (Austria, Germany, South Tyrol and Switzerland)	Online awareness can be improved through rich but precise textual information and interactivity
	Questionnaire survey among hotel managers		Important dimensions of Website effectiveness are ease of navigation, interactive elements, volume of textual and graphical information, number of available languages and the textual diversity of the documents
			Usability of the hotel Websites can be enhanced by presenting only relevant information, applying consistent structuring guidelines and providing simple and clear directions of use
C.-S. Wan (2005)	Used two search engines to obtain the sample	60 international tourist hotel Websites and 78 tour wholesaler Websites in Taiwan	50% of the total sample of hotels and tour wholesalers have already established Websites
	Evaluation system consisted of three general user criteria: user interface, variety of information and online reservation		“User interface” was rated highest among the three general user criteria used to evaluate Websites whereas “variety of information” received the lowest rating
	5-point rating scale was used to evaluate the categories of user interface and variety of information, yes–no evaluations were used in the		More tourist hotels provide on-line reservation

	“on-line reservations” criteria		systems (i.e. most commonly made through e-mail, fax, and telephone correspondence) than tour wholesalers
			The use of the Internet in Taiwan’s tourism/hospitality industry is primarily for advertising, not marketing
Zafiropoulos and Varna (2006)	Content analysis of the hotel Websites	Top 25 hotel brands according to <i>Lodging Hospitality</i> (March, 2004)	Top hotels lead in facilities, guest contact, reservation/prices, and surrounding area information provision, while Greek hotel websites fall back especially in providing
	Initially 63 different features were recorded and later on placed into six broad categories according to their thematic similarities	Sample of Greek hotels out of 798	online reservation and prices information
	Hierarchical cluster analysis is used to distinguish significant features		
	Benchmark Greek hotel Websites with top 25 hotel brands’ Websites		
	Questionnaire survey among 30 Greek hotel managers and 30 potential customers		

The present paper adopts Zafiropoulos and Varna (2006) work and goes a step further to the direction of measuring and evaluating the information provided through hotel Websites by identifying seven information dimensions. Moreover, it adds some methodological improvements regarding the specific aspects of the evaluation procedure as follows.

1. Construction of a universal set of information features on hotel Websites by examining information features offered on the Top 25 hotel brands' Websites through an extensive Web search
2. Place these information features in groups according to their thematic similarity. These groups are usually called information dimensions and they generally have unequal sizes.
3. Count how many information services are rendered in the target sample's Websites.
4. Using hotel customers' views create weights to incorporate the significance of the information features in the analysis.
5. Calculate the dimensions' performance indexes and the overall performance index.

03. METHODOLOGY

The Record of Information Characteristics

For the construction of a universal set of information features several hotel Websites were searched. Buhalis and O' Connor (2005) pointed out *"that major international hotel chains' electronic-distribution activities are indicative of industry patterns, because recent research has shown that large companies are most active on the Web-perhaps because their size often gives them an advantage in terms of technical expertise and financial resources"*. For his study, he used the top 50 international hotel brands according to Hotels magazine ranking. In amalgamated with O'Connor, this paper uses the 25 top brands according to the World Luxury Index Hotels report, 2012. Internet search for the identification and study of online practices is heavily found in the literature (Buhalis and Jun, 2011; Murphy et al., 1996, Sigala, 2003). The procedure used aimed at finding as many information features offered by the hotel Websites as possible. In this study 66 different features were recorded, by using a content analysis of top 25 hotel brands' Websites. These features were then placed into seven broad categories according to their thematic similarity: facilities information, customer

contact information, reservation and prices information, surrounding area information, management of the Website (in terms of maintenance, administration, and Website design), hotel information and communication (See Table 2).

Table 2

Information Features and Dimensions

Dimension and Information Feature	Occurrence in Top 25 Hotel Websites (%)	Occurrence in Sri Lankan Hotel Websites (%)	Weights
Facilities Information			
General description	100	93	12.36
Hotel facilities	100	88	12.54
Room facilities	96	48	12.72
Activities/entertainment	84	28.7	11.42
Restaurants/ Dinning facilities	64	2.2	10.95
Bars	62	10.7	10.69
Conference and meeting facilities	48	2.4	10.3
Reception facilities	60	2.7	10.51
Shops/gifts	80	12	8.56
Customer Contact Information			
Address	100	92	14.67
Telephone	100	92	14.02
E-mail	100	28	14.79
Contact form/ Feedback form	67	12	11.89
Guest book	52	15.4	10.81
FAQs	88	42	9.39
Claim form	76	27	10.81
Reservation/ Prices Information			
Reservation form	98	32	8.32
Price	96	20.8	8.55

Secure reservation	92	28	7.73
Online availability	90	12	7.6
Book online	56	10.7	7.73
Packages/ Promotion	66	8	7.38
Offers	87	34	7.24
Cards accepted	67	17.7	7.67
For travel agencies	54	12.5	7.01
Promotion other	72	34	5.04
Members special	65	25	7.3
Currency converter	59	12	5.31
Group promotions	67	32	7.24
Reward points	78	22	5.94
Surrounding Area Information			
Map	88	34	10.94
Area short description	82	28	11.62
Distances	65	12	11.59
Area interests	76	10.7	10.73
Ways of transportation	65	14	11.51
Weather	59	11	9.67
Restaurants in area	67	10.9	8.51
Bars in area	52	9.5	8.24
Nearby corporation facilities	62	11.4	8.43
Shopping areas	60	12.3	8.81
Management of the Website			
Image gallery	83	21	7.61
Multilanguage	72	14	7.91
Web designer	8	2.1	-
Web host	8	0.5	-
Links to others	47	8.9	8.66
Links to partners	69	12	5.81

Video/ Virtual tour	57	9.9	7.34
Sign in	79	17.8	6.69
Audio	12	2.8	9.91
Download	78	16.7	7.96
Search engines	54	8.8	7.69
Terms of use	80	32	7.41
Last update	67	9.8	7.86
Help	79	35	7.06
Web cam	12	-	-
E-Shop	17	2.4	8.14
Hotel Information			
About Us/ Brand	96	54	38.52
Employment	34	1.5	33.83
Franchise	30	1.1	27.66
Communication			
Announcements	78	22	16.05
Questionnaire	58	10.7	18.95
Awards	69	20.7	15.7
Press	55	3.7	16.95
Testimonials	63	13.4	16.8

The Selection of the Information Dimensions

The next step involves the selection of only the significant information features from the set of 66 of those information features. These significant information features are the features that are actually used in the top 25 hotel brands' Websites and not sparsely used by few of them. Each one of the 66 information features does not have the same importance for hoteliers because it could be added for any reason, such as better appearance of the Website. The sole appearance of a feature in a top hotel Website does not necessarily mean that it is an important information feature by itself. Rather, it should be examined whether it is important for many hotels and if so whether it is incorporated in several hotel Websites. If many hotels

Websites used this item, this should be an item of interest for many hoteliers and consequently it could be added in the analysis. But exactly how many hotel Websites should be considered many? Although any approach to define the actually significant items is subjective, the use of a statistical technique can add a lot to establishing an automated-like procedure that will distinguish important from non-important items.

There are several methods that could be used in order to distinguish significant features regarding their occurrence rates. For example, percentiles or thresholds could be used. Every method has its own merits and limitations. In this paper, hierarchical cluster analysis (HCA) is proposed because it produces groups of elements taking into account specific data properties. In this way it produces small or large clusters according to their elements' proximities and is not limited to produce small groups of non-significant elements, as it is case for the 75% percentile use. Zafiropoulos and Varna (2006) also used HCA, in another context, to summarize information features offered simultaneously. In amalgamated with Zafiropoulos and Varna (2006), this paper applies HCA to measure the occurrence percentages of the information features on top 25 hotel brands' Websites to group them together with nearly equal occurrence percentages. Cluster analysis produces several solutions. However, a scree plot of Wilks' lambdas can help to decide how many clusters are needed. Producing scree plots to decide the number of factors or solutions is a standard procedure in multivariate statistics. Figure 1 presents several solutions from which a five-cluster solution seems to be the most appropriate. Table 3 demonstrates the information features grouped together by occurrence rate.

Cluster five consists of the following information services: currency converter, Web designer information, Web host information, testimonials, Web cam, audio, last update and questionnaire. Although, these features appear in the top 25 hotel brands' Websites, they only have a 7.2% mean appearance rate. Consequently, eliminating these features from the universal set of information features could result in the creation of a more robust and widely applicable set. Subjective as it may be, yet, eliminating these features from the universal set using this procedure is a rather easy and automated procedure to follow.

Table 3
Information Features Grouped in Five Clusters after Hierarchical Cluster Analysis

Clusters	Mean Occurrence (%)	N	SD (%)
1. General description, Hotel facilities, Reservation form, Online availability, Book online, Offers, Search engines, About us/ brand, Room facilities, Telephone, FAQ, Packages/promotions, Cards accepted, Map, Fax, Area interests, Image gallery, Address, Email, Area short description, Distances, Sign in	95.09	22	4.77
2. Activities/ entertainment, Contact form/ feedback form, For travel agents, Prices, Terms of use, Members special, Links to partners, Employment, Nearby corporation facilities, Franchise, Rewards points, Ways of transportation, Restaurants in area, Conference and meeting facilities, Shopping areas	73.86	15	6.39
3. Restaurants/ dining facilities, Bars in area, Promotion other, Group promotions, Announcements, Bars, Claim form, Help, Links to others, Multilanguage, Weather, Downloads, Press, Newsletter, Price	52	15	6.04
4. Reception facilities, Guest book, Video, Sitemap, Shops/ gifts, Awards, E-shop	30.28	7	5.58
5. Currency converter, Web designer, Web host, Testimonials, Questionnaire, Audio, Web cam, Guest book	7.20	5	3.34

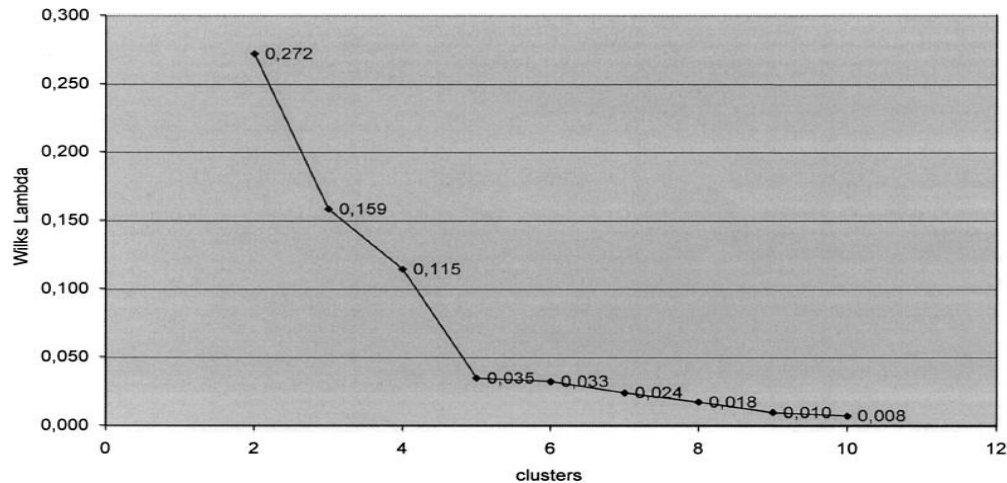


Figure 1. Scree Plot: Number of Clusters versus Wiki lambdas

The Implementation of the Evaluation

The list of Sri Lankan hotels was obtained from the Accommodation Guide published by Sri Lanka Tourism Development Authority (SLTDA) and Western and Southern region hotels were abstracted from the list. A Google search was done for all star-class Western and Southern region hotels and the hotels holding a Website were short listed from the abstracted list. Fifty Sri Lankan hotels were then selected from the above list stratified across two independent variables; star category of the hotel and resort region as follows (See Table 4). The chosen sample represents the whole of Sri Lankan hotels.

Table 4

Sample Profile

Star Category	Number of Hotels	
	Western Region	Southern Region
5-Star	6	2
4-Star	4	2
3-Star	5	3
2-Star	6	4
1-Star	12	6
Total	33	17

The next step involved in the identification of information features that are offered through the selected Sri Lankan hotel Websites. Finally a questionnaire was given to 200 hotel customers who were familiar with the Web and had at some point used hotel Websites to browse information and/ or make a reservation, out of which 127 were valid. The questionnaire asked respondents to rate both the information features and the information dimensions using a 5-point likert scale (ranging from 1-not significant to 5 = very significant). Each information feature was associated with one question. There were fifty eight questions regarding the information features (corresponding only to the fifty eight “significant” features), plus seven regarding the dimensions as a whole. All of these questions used a 5-point likert scale. Customers’ views were used in order to provide and incorporate the views of the customers regarding Website development and Web performance, in terms of content information (Zafiropoulos and Varna, 2006).

The dimensions’ performance scores describe the amount of information features offered within the dimension weighted by their significance. Roughly speaking, if the mean dimension performance score is 50%, then half of the information features of the dimension are offered by the average hotel Website. The average of the customer ratings are used as weights to standardize and correct the findings, which resulted from the Web content analysis. This was done in the following way. For every information feature the associated rating was divided by the sum of the ratings of the information features within the dimension, producing a percentage. The sum of all the ratios within the dimension equaled 100%. This approach was used for weighting the seven dimensions by using the ratings from the customers for the seven relative questions as well. It should be noted that the attitudes of customers were considered equally significant for the purpose of forming the weights. Table 1 presents the weights for every information service and the dimensions expressed as percentages. For every information feature, the mean of the average customer rating was calculated. This weight was multiplied by the occurrence rate of the information feature and finally the results for every feature in the dimension were summed to produce the total dimension score. This was done for every dimension.

Dimensions of Unequal Size

It should be noted that the dimensions have different numbers of features within them. Thus, computing the overall performance score would incorporate dimensions’ percentages (scores) that have different actual weights and meanings. For example, a percentage calculated for a

dimension that has only three features may have a different compared to a percentage computed for a dimension of 10 or 15 features because every feature in the three features dimension has a greater impact to the dimension formation and is associated to a greater percentage. This is a property that may be taken into consideration when calculating the final results of the evaluation procedure. According to Zafiropoulos and Varna (2006), the overall score, which represent the total performance score of the Websites, can be calculated as follows.

- If the number of information features in each dimension is to be taken into account, then the mean ranking of each dimension (taken from the customers), is multiplied by the number of information features in the dimension. Then each product is divided by the sum of these products and the outcome is expressed as a percentage
- If the number of information features in each dimension is not to be taken into account, then each mean rating of each dimension (taken from the customers) is divided by the sum of these mean ratings for all the dimensions and is expressed as a percentage.

04. DATA ANALYSIS

Sri Lankan and international hotels provide information services to different degrees. However, the correlation coefficient calculated between the two sets of the information features occurrences (Table 1) equaled 0.48 ($p = 0.01$). This is to say that the information features that are offered to high degrees in top 25 hotel brands are also offered to high degrees by Sri Lankan hotels.

Table 5

Dimensions and Overall Performance when Dimensions Sizes considered Unequal

Dimension	Weight	Dimension Scores – Top 25 Hotels	Dimension Scores – Sri Lankan Hotels
Facilities Information	19.56	74.38	59.53
Customer Contact Information	14.85	81.60	54.81
Reservation/ Prices Information	22.06	78.23	17.92
Surrounding Area Information	11.08	75.28	29.46

Management of the Website	8.90	52.36	16.10
Hotel Information	10.94	65.66	13.22
Communication	7.06	58.97	12.45
Total		73.86	33.57

Table 5 and 6 depict the dimensions' performance scores and the overall performance score for both the top 25 hotel brands and the Sri Lankan hotels. Tables 5 and 6 differ from each other regarding the weights of the dimensions. Consequently, only the overall performance scores are different. When the dimension sizes were considered to be unequal, top 25 hotel brands presented a 73.86% overall performance score compared to 73.04% when calculated considering dimensions sizes to be equal. For Sri Lankan hotels the two scores were 33.57% and 33.98%, respectively. Despite the differences in the weights calculation, the overall performance scores were eventually only slightly different from each other. This finding indicated that the overall performance score was relatively invariable whether number of information services in each dimension was taken into account or not.

Table 6

Dimensions and Overall Performance when Dimensions Sizes considered Equal

Dimension	Weight	Dimension Scores – Top 25 Hotels	Dimension Scores – Sri Lankan Hotels
Facilities Information	17.43	74.38	59.53
Customer Contact Information	18.59	81.60	54.81
Reservation/ Prices Information	19.38	78.23	17.92
Surrounding Area Information	13.97	75.28	29.46
Management of the Website	11.05	52.36	16.10
Hotel Information	11.08	65.66	13.22
Communication	8.5	53.46	12.27
Total		73.04	33.98

As far as the dimensions' performance scores are concerned (Table 5 and 6) the top 25 hotel brands' Websites present very high scores ranging from 52.36% to 81.6%. Guest contact

information, Reservation/prices information, Surrounding area information, and Facilities information are the dimensions with the highest provision of information features. Company profile (65.66%) and Management of the Website (52.36%) are considered to be less significant dimensions and their information features are offered to lesser degrees. The overall performance score for the top 25 hotel brands is about 73%, which should be considered to be very high.

The picture is quite different for Sri Lankan hotels. Sri Lankan hotels offer more Facilities information features and Guest contact information features than other information features, yet they hardly reach the richness of information offered by the top 25 hotel brands' Websites. In the aforementioned dimensions Sri Lankan hotel Websites offer just a little more than half of the information features within the dimensions. Only 29.46% of the Sri Lankan hotels Websites offer Surrounding area information and to far lesser degrees they offer Reservation/prices information features (17.92%), Management of the hotel Website, and Hotel information features. Although the latter two are also not widely offered by top 25 hotel Websites, it is interesting to restrict attention for Reservation/ prices information to the very low degree of provision by Sri Lankan hotels as this dimension is weighted as the most significant dimension by customers (See Table 5). Yet, Sri Lankan hotels are very distant from top hotels regarding this property. Sri Lankan hotel Websites serve more as advertising brochures and they do not provide the most important and most technologically up-to-date information services, thus, failing to meet potential customers' demands. Overall, Sri Lankan hotel Websites reach only one third (little more than 33%) of their top information provision.

05. DISCUSSION & CONCLUSION

This paper introduced an overall approach regarding performance evaluation of hotel Websites. This approach extended previous works on this subject, while considering special methodological aspects; the amount of information features to be considered in the analysis, how the situation resulting from the different volume of the information dimensions used should be handled, and what are the performance indexes compared to the state-of-the-art status applicable today. It was pointed out that in order to evaluate a specific target population's Websites, top Websites should primarily consider providing a benchmark; so top hotels Websites were considered in the analysis to provide a benchmark and Sri Lankan hotel Websites were compared to them.

Top hotel brands are doing very well in providing information features through their Websites, and they neglect certain information dimensions that are considered less important. Sri Lankan hotels are quite different from top hotel brands in providing information features. Their current status probably reflects the Sri Lankan hotelier's attitudes about Web presence, which regard the Websites rather as advertising tool and not as a means for making and completing business online. The overall information provision by Sri Lankan hotel Websites is placed at about one half of the information provision of the top 25 hotel brands.

Sri Lankan hotels, and of course the hotels of any country, should adjust to the current economic and technological changes that take place worldwide. Within a connected economy every organization is affected by global changes and improvement. Within the scope of this context no organization of a specific country by itself should be analyzed without being connected and compared to similar organizations worldwide so that the international trends could be taken into account.

Sri Lankan hoteliers need to adopt new technologies and trends for e-business as well as to alter their attitudes about Web presence. The hoteliers' delay to apply modern technological techniques may be due to a reluctance to make a serious investment, their negative towards the use of personal data, lack of personal contact, and/ or their persistence to implement traditional ways of doing business. In Sri Lankan hotel industry, still maintaining a Website is mainly serves as an advertising and contact tool, while business is primarily done through personal contacts, telephone or fax.

While the main use of the Website is as an advertisement brochure, online booking and reservation are provided to low degrees. In this way, although hoteliers in Sri Lanka promptly assimilated new technology, they are not using the Internet's full potentials by incorporating more sophisticated techniques. Along with using more traditional ways of doing bookings and registrations, such as collaborating with tour operators and using personal contacts, hoteliers will benefit from reconstructing their Websites to offer more sophisticated information features. In this way the overall Website's efficiency is expected to be elevated. Key stakeholders such as hoteliers' association and SLTDA should make efforts to record, understand, and enhance Web practices in order to provide hoteliers with more skills and even finance their investments to construct more powerful Websites. Informing hoteliers

about the current status of international Web performance should be the first step in enhancing Sri Lankan hotels' Web presence.

Customers' views about assimilation of current technical improvements should also be studied in depth by using more qualitative methods. Future research should include the comparative study of several countries' hotel Web presence and also should include the study of other key variables besides content, such as usability, navigation, and interactivity.

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FACTOR DETERMINING VISITORS' SATISFACTION AND ECOLOGDE DEVELOPMENT IN SRI LANKA

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Abstract

Ecotourism is gaining popularity. From 1980s ecolodges emerged as an increasingly popular accommodation form in the world. However ecolodge industry is relatively young, the literature on the subject is limited, yet in the outer world, when come to Sri Lanka related literature is highly insignificant. Ecolodge is a unique lodging sector because it provides accommodation, broad ecotourism experience and enhances the rural economy. Sri Lanka is a country rich in bio-diversity compared to other countries and this is a competitive advantage in attracting tourists and promoting Ecotourism. Therefore, this research will examine current situation and the new roads that have to be taken towards the development of ecotourism in Sri Lanka. The study will reveal the potentials and challenges in promoting ecolodge in terms of nature conservation and economic development of the country. This research will be helped towards the sustainable ecolodge not only that it will enhance ecolodge business development and becomes more competitive, managers must learn about that and cater to their market group and avoid the constraints of ecolodge in order to position themselves favourably in the global marketplace. This study aims to examine the visitors' satisfaction under different factors at ecolodges in Sri Lanka. Consequently, a model is presented including six variable and eight hypotheses. This is an ongoing research.

Keywords: *Ecolodge, tourist satisfaction, Ecolodge Image, Trip characteristic, Visitors, Characteristic, Ecolodge standards*

01. INTRODUCTION

Ecotourism is the most buzz word in the tourism sector. It provides more benefit to conserve the natural and cultural asset and provide economic enhance to community people. Moreover, due to their close link with local people, ecotourism enterprises is a powerful tool for local development. It help to eradicate poverty from rural community (Alcorn, 1993; Gössling, 1999; Krüger, 2005; Stronza, 2000; Sovero 2011). However, Fennell (2007) said ecotourism as “a sustainable, non invasive form of nature – base tourism that focuses primarily on learning about nature first – hand, and which is ethically managed to be low-impact, non-consumptive, and locally oriented... typically occurs in natural areas, and should contribute to the conservation of such areas”.

Ecolodge, the accommodation base of ecotourists, is the important industrial sector in the ecotourism market by largely providing the ecotourism experience. (Weilinlu, Svetlana, et al.). An ecolodge is a “nature dependent tourist lodge that meets the philosophy and principals of ecotourism” (Russell, Bottrill, & Meredith, 1995). Ecotourist staying Ecolodge typically located to nature reserve and rural area, it will help to tourist study and observe unique features of ecotourism destination.

This study tries to investigate the effect of same influential factors including ecolodge image, ecolodge standards and criteria, visitors characteristic, trip characteristic and ecolodge image on tourist satisfaction. In order to achieve the objectives this study tries to present a conceptual model to explain the relationships among the variables.

02. OBJECTIVES

In the current study, we aim at: (a) Examine the Socio-economic and demographic characteristics and travel motivation of Ecolodge visitors in Sri Lanka. (b) Analyze how ecotourists value the ecotourism lodges and services of these lodges in term of their experiences and knowledge. (c) Investigate the level of community involvement in ecolodge functions and derived socio-economic benefits, from visitor perspective (d) Compare and contrast whether the quality standards of these ecolodge are compatible with the international standards and customer satisfaction (e) Provide some strategies to upgrade ecolodge in Sri Lanka. We believe this research will have a clear practical application in improving ecotourism planning and policy not only that it will strengthen the role of ecotourism in Sri Lanka.

Eco Lodge Image

Past research mostly focus destination image. However, Xia et al. (2009) said, destination image direct effect on tourist behaviour. The destination image is defined as an individual's mental representation of the knowledge, feelings, and overall perception of a particular destination. In fact, several dimensions related to the tourist behaviours, such as their expectations and perception of value, are conditioned by the image that they have from the destination (Chin and Qu, 2008). Ec lodge is different from the formal tourism it always attracted environmental friendly travel's for enhance their environment knowledge and improve the local economy. The ecolodge image is defined as an individual's mental representation of the view, behaviour, feeling and overall perception of a particular ecolodge. It is understandable that any pre –visit expectation of the tourist can be formed and affected by the image of his/her ecolodge. Furthermore, any tourists' assessment of the money paid and service that receive is perceived based on the image that the tourists have from ecolodge.

Eco Lodge standard and criteria

Basically ecolodge has internationally accepted criteria for running the ecolodge, that criteria and standards guided by International ecotourism society and Metha (2002) However, based on that foundation different countries follow the basic and adapted criteria their local scenario. Basically eco lodge standard and criteria influence Ec lodge image and tourist satisfaction. Previously not explored area for lodge standard and criteria. It is obvious that Eco lodge standard and criteria are the consequence of satisfaction. On the other hand services what is given by ecolodge or value of service defined as the customer's assessment of the services based on the what is received and what is given'' (Zeithaml, 1988). This perception directly influences the satisfaction of the customer. Several authors such as Huang and Su (2010), Song et al. (2011), and Chen and Chen (2010) believe that when the tourists perceive that the quality of services given to them is greater than the money paid by them, the satisfaction is created.

Visitors' characteristics

Few studies profiled the characteristics of ecolodge visitors. Weaver and Lawton (2002) conducted a study on ecolodges During this study it was found that there are three distinct ecotourist segments on the harder, structured and soft ecotourists. However, visitors' satisfaction may change from ecotourist segment. Hence, previous research unexploited

relationship between Visitors' characteristics and tourist satisfaction also influence Visitors' characteristics to the Trip characteristics. From this model we explore factors that effect satisfaction.

Trip characteristics

Crossley and Lee (1994), Fennell (1990), and Wight (1996a) found that ecotourists tended to stay at their ecotourism destination for about 8–14 days, which was longer than the nomal tourist. Palacio and McCool (1997) found that ecotourists typically stayed for 5 to 6 days. However, Saleh and Karwacki (1996) and Wight (1996a) stated that ecotourists most often travel as a couple. HLA Consultants and ARA Consulting Group Inc. (1995) found that ecotourists tend to travel alone, as a couple, or with a group. Saleh and Karwacki (1996) and Twynam and Robinson (1997) found that families make up a sizeable portion of ecotourists; however, neither study distinguishes between elderly families and families with children. Crossley and Lee (1994) and Wight (1996a) both found that families with children were a common group of ecotourists. Past research , reviled only on trip characteristics of the tourist in ecolodge. Basically it has not yet explored how trip characteristics influence on satisfaction. Furthermore, we will identify theoretical relationship between two factors.

Tourist Satisfaction

Tourists' satisfaction is the most important issue in tourism business (Sapri et al., 2000) It can determine successes and failures for an organization or business Satisfied consumers bring success to the businesses (Raktida Siri, 2009) Furthermore, Yooshik and Muzaffer 2003 claim that satisfaction play an important role in planning marketable tourism products and services. The choice of destination, the consumption of products and services, and the decision to return.

Satisfaction is created by the comparison of the customer's expectation before and after consumption. Obviously, if the performance of the service or product does not fulfil the expectation, dissatisfaction will appear. Specifically, tourist satisfaction is created by the comparison of pre-travel expectations and post-travel experiences (Chen and Chen, 2010). In simple words, when experiences of a tourist compared to the expectation results in feeling of gratification, the satisfaction is created. It is understood that satisfaction of tourists are caused by two different dimensions; Firstly, it is related to the pre-expectation of the tourist before the travel; Secondly it is referred to justification of the tourist on the delivered services after the travel based on the real experiences. In other words, tourist satisfaction is directly affected

by the tourist expectation (Xia et al., 2009; and Song et al., 2011). Further, this is frequently confirmed that the satisfied tourist would like to visit place again and also encourage other tourists to visit it (Huang et al., 2006; Hui et al., 2007; and Su and Fan, 2011).

Conceptual model

From the above discussion, eight causal hypotheses are posed by our study. Figure 1 present the conceptual model.

- H1: Ecolodge image influence positively affects satisfaction
- H2: Ecolodge standard and criteria influences ecolodge Image
- H3: Ecolodge standard and criteria positively influences tourist satisfaction
- H4: Visitors characters influence the ecolodge stranded and criteria.
- H5: Visitors characters positively influence tourist satisfaction.
- H6: Visitors characteristic influence trip characteristic
- H7: Trip characteristic influence tourist satisfaction.
- H8: Tourist satisfaction positively influence revisit intention

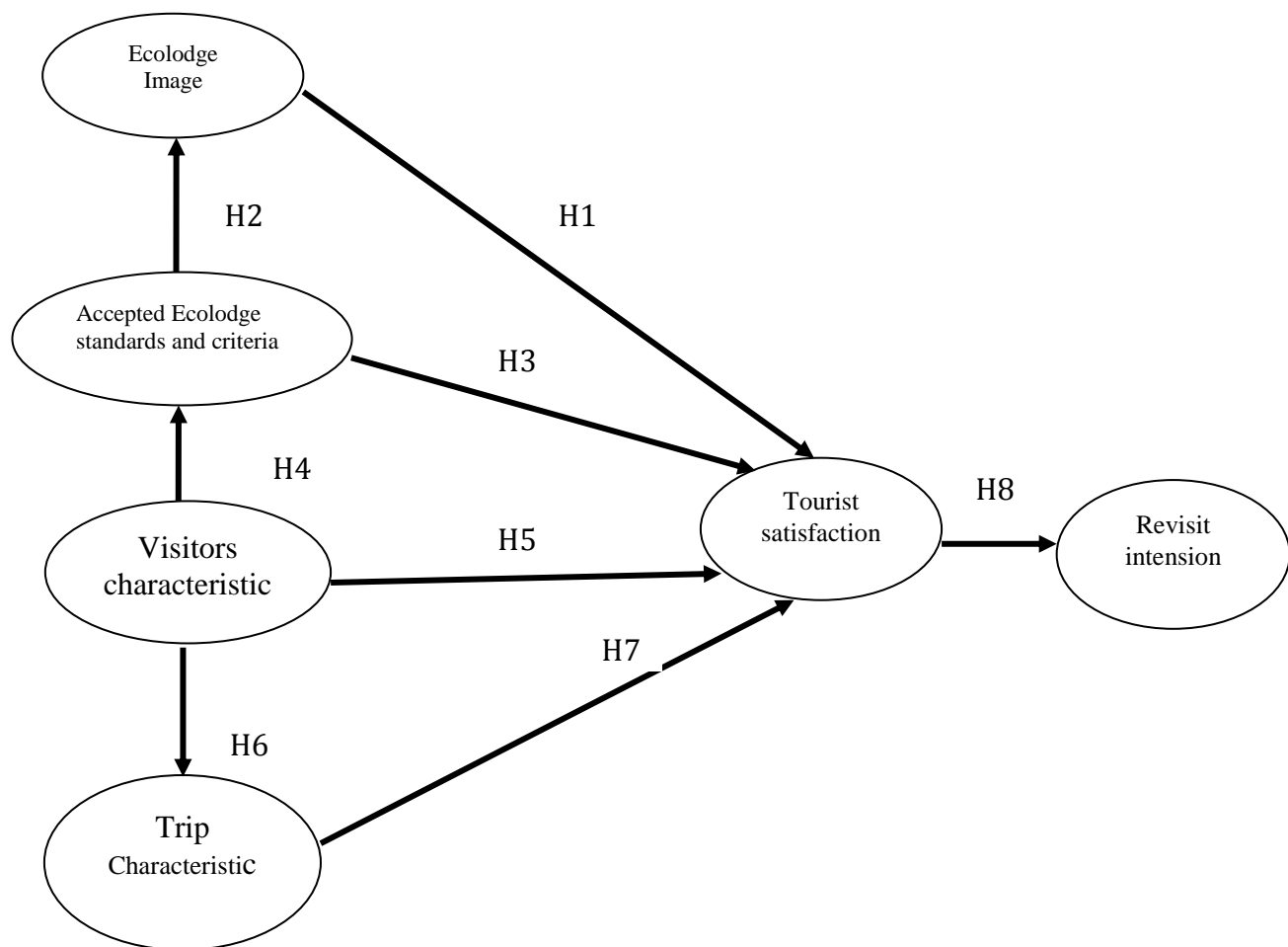


Figure1. The conceptual model

03. DISCUSSION

Our study considered the tourist satisfaction as the key factors in the ecolodge industry and tried to explain the relationships between satisfaction and other variables in ecolodge. The satisfied tourists not only will revisit the place, but also will recommend it to others. Besides, increasing the level of satisfaction will reduce the number of tourists' complaints. On the other hand, the tourist satisfaction will not be achieved unless the tourists feel that the quality received is greater than the money paid. Not only that, through this research we can enhance main areas such as Policy and planning, Marketing, standard and quality of the ecolodge in Sri Lanka. Through the development of these main areas we better compete with world markets. The structural model presented by this study can be examined by the actual data in further studies.

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[27]

PROSPECTS AND CHALLENGES OF COMMUNITY BASED TOURISM PROMOTION IN SRI LANKA WITH SPECIAL REFERENCE TO HEELOYA VILLAGE

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Abstract

Community based tourism (CBT) is the latest trend in tourism industry in which the community owns, manages & enjoys the benefits of tourism. In Sri Lanka, CBT is being popularized with the increased demand made by the top end tourists. Unfortunately there are only a few villages practice CBT in Sri Lanka. Tourism in those villages does not take place successfully due to many reasons. The main objective of this research was to identify the prospects and challenges for CBT promotion in Sri Lanka and to make recommendations with special reference to Heeloya village. The specific objectives are: a) to examine the contributory factors for the promotion of CBT; b) to examine the main challenges to CBT promotion; c) to identify strategies to promote CBT on sustainable manner. The research adopted both quantitative and qualitative techniques to analyze the data gathered from questionnaires, observations and interviews. The main findings of this research are: a) there are diversified natural, cultural and man-made resources which can be converted in to tourism assets in Heeloya; b) lack of leadership, lack motivation, poor financial support, poor marketing, insufficient education and training act as discouraging factors for the promotion of CBT. Thus recommendations were made in line with the above findings.

Keywords: *Tourism, community-based tourism, tourists, tourist attractions, tourism assets*

01. INTRODUCTION

Sri Lanka is in an era with double digit tourism growth rate. The net receipts of tourism in 2012 is closer to one billion US dollars and as a whole, tourism industry has become the fastest growing as well as the most promising industry in Sri Lanka according to SLTDA monthly bulletin reports. Foreign direct investments (FDIs) in tourism have got increased during the last couple of years and the Sri Lankan government is supporting the investors in many terms: tax concessions, leasing-out prime lands, income tax exemptions etc.

However, it is worth to question the distribution of benefits of tourism. Theoretically tourism is a social phenomenon in which tourism does take place around tourism. Unfortunately at present, the societies remain nothing but a polluted environment after all. Except for minor income sources, the vast majority of the cash-flows are directed to companies. Therefore, disparities occur between the host organizations & host communities, creating an unhealthy environment for tourism.

Community based tourism (CBT) can be introduced as a successful model which benefits the communities. CBT enterprises are owned & managed by communities. However, in Sri Lankan context, only a few communities practice CBT with many difficulties although there is a major trend towards CBT in the global market. This study intends to identify the prospects & challenges of CBT in Sri Lanka with special reference to Kandy district.

Problem Statement

Tourism is playing an increasingly important role for the world's developing economies (WTO 2006), including Sri Lanka. The contribution of tourism for the rural development is very low in Sri Lankan context. Also, out of the all tourist arrivals, the number of tourists visiting the villages is less significant. There have been successes and failures in CBT development in Sri Lanka to date with untapped tourism potentials in rural settings. Heeloya is a rural village located in Central province within which CBT takes place.

02. METHODS

Data collection methods

This study is based on both primary and secondary data. Considering the types and the quality of data, the researcher used both qualitative and quantitative methods to analyze the data. Primary data were collected using face-to-face interviews, administering of

questionnaires, focus group discussions and participatory observation. Secondary data were collected using previous publications, journal articles, scholar articles, reports and book chapters.

Population and sample

The population for this research is the direct & indirect beneficiaries of CBT projects in Sri Lanka. Since taking all the villages in to consideration is impossible, the most successful CBT project in Sri Lanka (in terms of tourist arrivals) was identified. The numbers of direct beneficiaries are 20 families and the indirect beneficiaries are 30 families. Questionnaires were used to collect data from above parties. 50% of the total beneficiaries were given the questionnaires based on convenience sampling method.

The followings were interviewed; the Gramasewaka, the chairpersons of the village community based association. Furthermore, two focus group discussions were conducted. These are to determine the perceptions of locals on community based tourism and to ascertain the benefits and challenges offered by the venture. A focus group discussion is ‘a tool for collecting data from group discussions’ and ‘follows a predetermined interview guide to direct a discussion of about five to twelve people’ (Nielsen, 1997). Each group comprised of 05 to 10 people. One group comprised of the youth whilst the other was made up of the elderly.

In addition to that, questionnaires were distributed among the tourists who visited Heeloya during the month of July to identify tourism assets in Heeloya.

03. RESULTS

Contributory factors for the promotion of CBT in Heeloya

In assessing the potential for CBT development, the initial planning stage should begin with an inventory of potential tourism products within a community. Potential tourism products are known as ‘community-based tourism assets’ (Mountain Institute 2000). Numerous potential tourism opportunities were documented through participant observation and household surveys in Heeloya and the surrounding area. The tourism assets that can be developed into tourism products will be classified into six categories: a) Natural attractions; b) Manmade attractions; c) Cultural attractions; d) Activities; e) Location; f) Skills (Table 1).

Category	Asset
Natural attractions	Waterfall
	Weather
	Caves
	View points
	Forests, flora & fauna
Manmade attractions	Ancient temple
	Historic stone wall
	Historic village court (made of stones)
	Craft centres
	Plantations
Cultural attractions	Local food
	Local language
	Festivals at different times of the year
	Traditional industries
	Folk stories
Activities	Trekking & tracking
	Teaching English to village children
	Bird watching
	Cycling
	Learn how to make cultural food
	Engage in traditional agricultural

	activities
Location	One hour drive (35 Kms) from Kandy
	Region has potential to become a tourist way
	No air & train access
	Average infrastructure (not rural)
	Convenient accessibility for small vehicles
Skills	Numerous residents have local knowledge of local plants and animals
	Small number of trained guides
	Residents who speaks average English
	Hospitable communities

Table 1: List of Tourism Assets in Heeloya.

Source: Survey data, 2013

Heeloya has untapped potential for tourism development. At present in global tourism market, there is a substantial trend is for eco-tourism. Heeloya is an ideal place to practice ecotourism concepts since it is blessed with many unpolluted natural resources. Those who are interested in history, archeology, art and painting can fulfill their desires by visiting Heeloya village. Culture is the greatest strength of Heeloya community. Culture remains within a community, thus no need of further investments to develop or enhance the cultural features. At the initial level, cultural features should be promoted as the key attraction of the village since it does not cost. There are many activities which can be done in Heeloya village. The activities range from cooking local foods with locals to cultivation and farming with the village farmers. Other than that Heeloya is in the process of developing activities for bird

watching, cycling, trekking, tracking etc. One of the most famous activities among the tourists is that teaching English to village children, which takes just an hour.

Heeloya is located at a prime location, which is just 40 kms away from the main tourist destination in the region, Kandy. The travel time is approximately one hour. On the other hand the tourists those who travel in between Mahiyangana and Kandy also can visit Heeloya village having a turn from Theldeniya town. Although there is no air, water & train accessibility to Heeloya, the road condition up to the village entrance is at a satisfactory level. The village is blessed with three phase electricity and water supply which is a requirement when developing tourism. The villagers are highly skilled in the traditional industries which they are involved in. The villagers exhibit their skills in the presence of foreigners, which is always commended. The community guides are trained to interpret local activities to the tourists. The people of Heeloya are incredibly welcoming, hospitable and friendly. They have a sound knowledge about their culture and history, which could be lesson to tourists. The elders are still experts about local flora & fauna. Although English is not spoken widely throughout the community, the villagers know how to interpret their ideas.

Heeloya community based tourism organization is the combining factor of above all. The organization, which is formed under the Divisional Secretariat of Theldeniya has a clear vision & mission to develop the Heeloya community through community based tourism. In order to promote CBT, there should be a community who is willing to work in the industry. It is a known fact that tourism is an alien field to rural communities and they have misperceptions about both tourism and tourists. Therefore right attitude and perception should be there among the participants. Fortunately, due to the trainings they underwent the community is having the right attitude towards tourism, thus they are ready to welcome and host the tourists.

The main force behind the Heeloya village is a consortium whose main purpose is to strengthen the communities through CBT. They provide required education & training to individuals on needy basis. The consortium is consisted of competent local and international professionals who have years of experience in the field of CBT. They employ special national and international trainers to prepare the Heeloya community for tourism. According to the tourism law in Sri Lanka, anyone who guides tourists should possess a valid license issued from the SLTDA. Thanks to the efforts of the donating agency, at present there are six

licensed community guides working in the village. They provide necessary interpretations to the tourists during their visits to the village.

The main challenges to CBT promotion in Heeloya

Poor Marketing and Promotions

Success of every tourist destination depends on how much it is being marketed. Unfortunately it was discovered that there is no any organized marketing team to promote Heeloya. Also there is no marketing plan designed by anyone. Heeloya is not an identified tourist destination by SLTDA and when it comes to an internet search, primary information could be found. Heeloya is in need of marketing training and a proper marketing plan which should be developed according to community objectives. Also, the community should be encouraged to involve in marketing planning. Absent of a community logo and a brand was well highlighted during the observations.

Poor Financial returns and poverty

The community has been involved in tourism since January 2011. Also, they are offering different types of tourist experiences at a charge. The services and their respective charges are appearing in table 5.2.

Table 2: Facilities provided and their charges

Facilities provided	Price
Community guide (per day)	LKR 1000
Village lunch (per person)	LKR 450
Village refreshment (per person)	LKR 100
Cooking class (per person)	LKR 600
Trekking and tracking	Free
Cycling	Free
Bird watching	Free

Source: Survey data, 2013

Through the survey findings it is clear that community does not enjoy much financial benefits out of tourism. Further, it was discovered that the 80% of the households are Samurdhi beneficiaries and the most of the people engage in agriculture activities. For them to come and work in the tourism field the above returns are not sufficient.

Lack of leadership

The success of any community based tourism project depends not only on the attractions, but also upon a good leadership. Community based projects are depending on community participation. It cannot be done through rules and regulations, but through interrelationships. One of the main challenges that the Heeloya community facing is lack of good leadership. A leader will always hold the community together and always think of fair distribution of benefits. Also a good community leader must think of the development of the community. Unfortunately it was discovered that most of the community leaders who lead the Heeloya project had looked after their interest only, not the community benefits and welfare. As a result, the community has lost their faith over the community leaders.

Insufficient training and long intervals in between programs

Availability of quality manpower with right skills is essential in CBT. Since there is no such manpower the donating agency trained them with the involvement of many professionals in the field. However, it was observed that some of the trainings had conducted in English medium making less contribution to the community. Also, there are long intervals in between programs which take the villagers out of their learning mentality. In such a situation villagers forget what they learnt last time and cannot continue the learning in an orderly manner.

No financial assistance

The village community based association always advice the villagers to upgrade their homes including kitchens, living areas, maintain the garden etc. Since the villagers are poor, they cannot afford for such advancement in their properties. But, the villagers are willing to make such changes according to the tourist requirements if they are given any financial assistance.

Less significant number of tourist arrivals

Not much tourists are visiting Heeloya. The tourist arrivals to Heeloya village since January 2012 are appearing in table 3.

Table 3: Number of tourist arrivals to Heeloya

Year	Month	No. of arrivals
2012	January	06
	February	02
	March	00
	April	00
	May	00
	June	01
	July	02
	August	06
	September	02
	October	15
	November	08
	December	10
2013	January	06
	February	02
	March	04
	April	02
	May	0
	June	0
	July	06

Source: Survey data, 2013

Receiving odd numbers of tourists throughout years does not make any sense to the villagers. Neither have they received significant economic benefits through this type of tourists' arrivals. As a result the villagers are moving away from the project prioritizing their other income sources.

No accommodation facilities

A successful tourist destination must be able to welcome and accommodate the tourists who are visiting their place. Unfortunately Heeloya got no accommodation facilities, neither they are ready to introduce accommodation facilities to the tourists. The tourists those who are willing to stay in the village have to move away as a result. This has hindered the expected benefits of tourism. Since there are no accommodation facilities, number of activities that a tourist is willing to engage is limited. It is another reason for poor economic impact over the community.

Influence of outsiders

Since Heeloya is identified as a tourist destination, some other informal sectors in the tourism field are trying to get the benefits over it. It was noted that some villagers have spoken to some hotels in Kandy to get the tourists to the village without informing the community organization. Village is a public property with free entrance and exit. As a result tourists are coming to the village, enjoy their visit and are returning without making any economic contribution to the village.

End of the project lifetime

As stated earlier, Heeloya CBT project is an effort of an international consortium. The project came to an end in May, 2013. Now there is no one to guide and assist the community in any terms. Since the officers had left the village, the community has lost their confidence over tourism.

Analyzing tourist questionnaire findings

Accessibility from Kandy

All the tourists who took part in this survey agreed that Heeloya has convenient accessibility from the main tourism destination, Kandy. Attractions, accessibility & amenities have been the most promising factors for the success of any tourism destination and Heeloya has one of the requirements completed.

Interpretation by the community guides

Since Heeloya has a CBT project, the interpretation also done by the villagers. According to questionnaire findings, 100% of the tourists are either satisfied or delighted with the interpretation of community guides.

Welcome upon the arrival

In order to make a long lasting impression, it is required to welcome them in an appropriate manner. The questionnaire findings show that the vast majority of the tourists are happy with the way they were welcomed.

Knowledge of the community guides

The Heeloya CBT project has a pool of licensed community guides. Those community guides take the responsibility of guiding the tourists within the village. The questionnaire findings show that community guides evenly have fair knowledge on almost everything about the village.

Food quality & hygiene

Europeans are more conscious about the food quality and hygiene. According to the survey the researcher got mixed responses against the food quality of the village. It is therefore recommended to pay more attention towards this issue.

Level of service

The tourists expect a quality service from wherever they go. According to questionnaire findings, the majority of the tourists said that they received a fair service during their visit in Heeloya.

03. CONCLUSION AND RECOMMENDATION

There is no doubt that Heeloya has a number of tourism potentials which could be invested on CBT. These tourism attractions range from cultural activities to natural attractions to other recreation opportunities. Despite the tourism potentials, Heeloya faces some barriers at the community level which need to be addressed if Heeloya is to develop tourism. Some of the barriers noted are: end of the project lifetime; influence of outsiders; no accommodation facilities; less significant number of tourist arrivals; no financial assistance; insufficient training and long intervals in between programs; lack of leadership; poor financial returns

and poverty; poor marketing and promotions; mismatch of community assets vs. tourist needs. Thus following recommendations are forwarded to develop Heeloya CBT project.

- It is recommended to look in to what the tourists really want and redesign the community tourism products otherwise; the mismatch of community assets and tourist wants will lead the project in to a downfall. Apart from offering what is already possessed by the community it is the time to forecast the future wants of the tourists and getting prepared to serve them. The community should be ready to face diverse wants of the future tourists as well.
- Also it is recommended to get the assistance of a professional body which can market and promote the village both locally and internationally. Since the main objective of the project is not profit, selection of an organization should be done with utmost care. Also it is required to make the agency aware of community objectives as well. It is suggested that the community moving in to a better pricing strategy. When it comes to community based project, the tourism products are unique. As such, the community can quote a higher price that of they are quoting now. It will help to tie up the community members to the project.
- It is strongly recommended that the community should select a skillful leader to run this project. The consequences will not be bearable if the leader does not have right knowledge, skills and attitudes to run the project and to manage the villagers. Since the appointed leaders were failed during their periods, now it is advisable to give the leadership to a person who has prior experience in this field, under whom potential individuals should be trained to be the successors.
- The training programs should be more focused and should be conducted regularly keeping the villagers in line with the project. Also a survey should be conducted to identify the training needs of the villagers and actions should be taken accordingly. The trainings should be conducted by locals who can speak *Sinhalese*.
- It is strongly recommended that the community members must receive financial assistance to make relevant improvements to their houses and to their tourism product. Tourists are not interested in attractions which are not developed; therefore it is required to bring the community to an accepted standard.

- It is recommended that the community writing to other donating agencies or to leading companies in Sri Lanka who can give financial assistance under their corporate social responsible projects.
- It is very much important that a significant number of tourists visiting to the destination. Though this is a task of the marketing and promotion team, the community still can write to the SLTDA, tour operators and travel agencies in Sri Lanka to make them aware of the destination.
- Also it is suggested that the community should maintain their own website or a blog which is a basic requirement to all tourism destinations.
- Further, it is recommended that the community should provide accommodation facilities as soon as possible to keep the existing customers for a longer period of time. Once the tourists start staying overnight, their expenditure over the community definitely go up creating much economic impact over the community. It is not required to provide high quality rooms, but a clean and neat room will satisfy the purpose.
- The community should hold its members together whatever takes place. In Heeloya, members are moving away from the community for better financial prospects. Such members should be educated and advised about the negative consequences of their action, which results degradation of the destination.
- The benefits of the projects should be distributed evenly among its members as a method of keeping the members together.
- Finally it is strongly recommended to find another donating agency to direct and fund the project. The last agency could not achieve their objective and their contribution is far less to the project compared to other agencies in other projects, so a competent agency is required to take the leadership and to drive the community towards the success.

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APPENDIX

Introduction to Heeloya Village

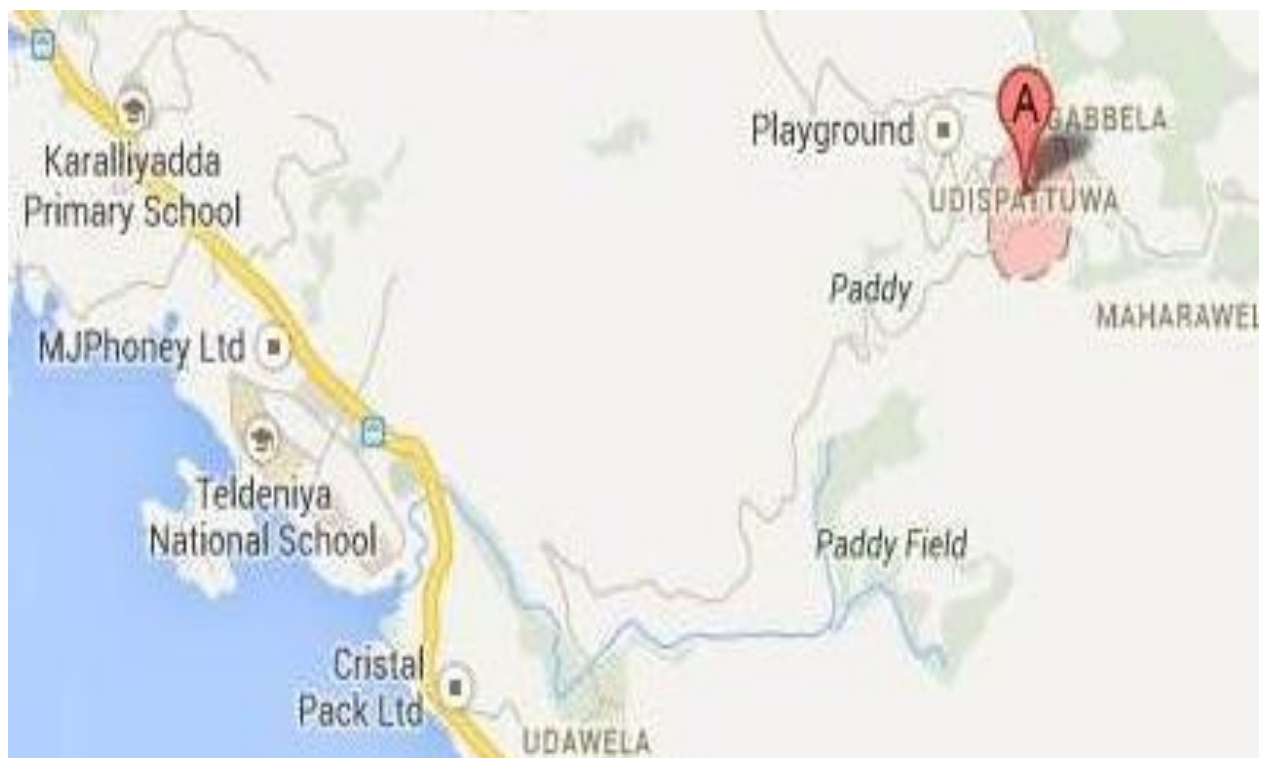
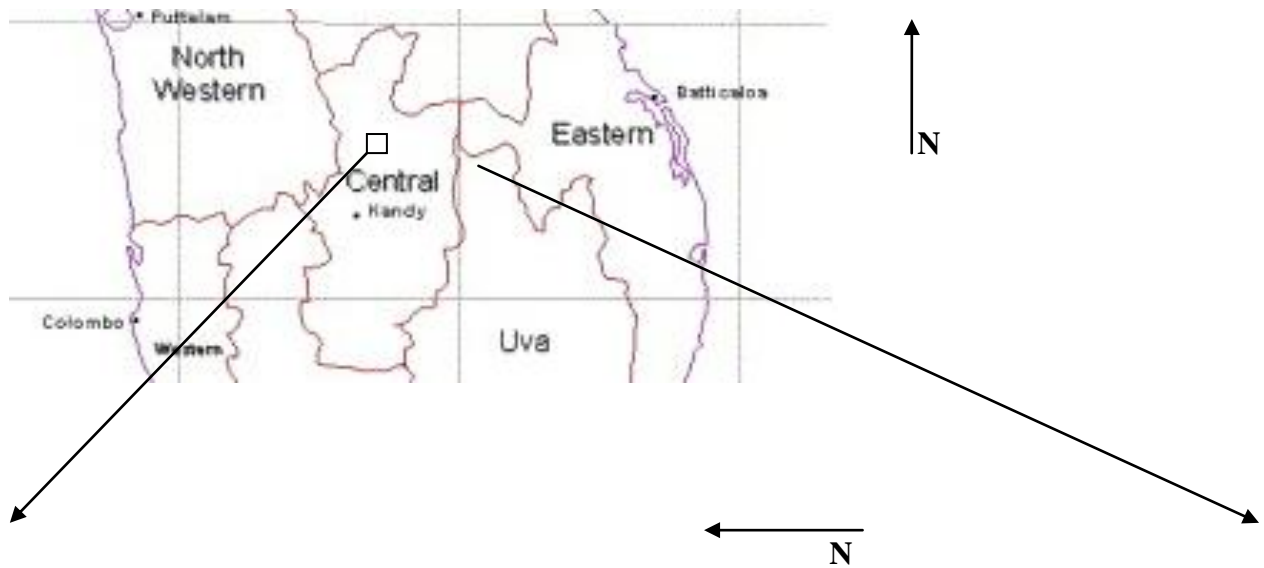
Heeloya is a rural, remote agricultural village in the Kandy district with a unique attraction of understanding how justice was meted out in the good old days. The proceedings of hearing a case by the village-headman and the location are still intact. The main livelihood of the village community is paddy cultivation, home gardening, livestock and spices. Villagers engage in toddy tapping, handicrafts, bee-keeping, traditional dances etc., as supplementary income sources.

Tourists are encouraged to work and become part of the village life by engaging in plucking fruits and vegetables for a meal to be prepared according to the local taste. They would also get an opportunity to watch some of the other aspects of this village being the Heeloya waterfall, local species and herbs. Visitors to Heeloya can get a feel of the life in a typical village in addition to trekking and sight-seeing and a culinary experience in true Sri Lankan style! These tours are organized for half day and full day excursions.

General features of Heeloya

- Location : 30 km from Kandy City
- How to get there :
 - Colombo – (Kandy Road) – Nittambuwa – Warakapola – Kegalle – Kandy – (Mahiyanganaya Road) – Theldeniya (1km) – Rangala Road – Udispattuwa Junction (Turn Right) – Poddalgoda Road (4km)- Iskola Muduna (Turn Left) (150 km, hours & 30 min)
- Distance from Colombo : 150 Kms
- Distance from Kandy : 40 Kms
- Accessibility : Accessible by cars, vans and mini coaches
- Group sizes : Prefer groups of less than 10 pax

Map of the village



Introduction to the project & the donor agency

The attentioned village's CBT project is run by a consortium of Europe's INGO's working in sustainable organic agriculture and community based tourism sectors in Sri Lanka. The organization has been actively involved in livelihood development of the rural communities in Eastern and Central Provinces of Sri Lanka since 2005. The organization promotes sustainable agricultural practices and agribusiness which preserve environment and ensure economic benefits to the rural communities. The consortium promotes community based tourism as a tool; to enhance the eco-friendly farming practices through value addition, and to diversify the livelihood opportunities of the communities.

[31]

TEACHING ENGLISH TO TOURISM STUDENTS AT THE TERTIARY LEVEL – A SIGNIFICANT PHENOMENON

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Abstract

The 21st century has brought with it an important phenomenon for language learning, where English is considered the foremost world language. This implies that it is an imperative that everyone needs to have a good command of the English language if they were to survive in this competitive world. This is no exception for the tourism industry which is on the incline globally. Tourism is all about communicating with people from all over the world in a bid to promote cultural interactions. The importance of English language for travel and tourism development, and client contact is widely accepted globally. In order to achieve this objective, English proficiency at tertiary level is required. This is undoubtedly a subsection of the vast umbrella group titled English for Specific Purposes. The usage of English for the purpose of tourism comes under this vast umbrella group. If the enormous expanse encompassed by the concept of tourism is looked at objectively, all humans are part and parcel of it, as they are all tourists at various times on various occasions till they die. As such tourism is a never-ending topic which will continue in its strides, weathering all storms, with a shift towards uniting the world through the English language.

Keywords: *English, tourism, tertiary education, purpose*

01. INTRODUCTION

English is considered to be one of the most widely spoken languages in the world and could be termed as the most spoken official language. It is the most used language in the field of international affairs worldwide and is officially accepted even in countries where it is not considered as the primary language. Similarly English can be considered as the as the most widely used language, globally, in international trade, commerce and tourism. Especially in the area of tourism, countries worldwide interact with tourists in English. Being the language that is extensively used as a communicative tool among human societies McKay (2003) states that an increasing number of people worldwide who are familiar with the English language, use it as a language of wider communication for a variety of purposes thereby, contributing to its status as a global lingua franca. Thus knowing the English language is a requirement as we can participate in all the experiences that people worldwide have gained and update our knowledge whilst maintaining close relationships with them. Assessing development goals particularly in the areas of higher education and tourism requires investment and serious attention to the spreading of the English language.

02. TEACHING ENGLISH FOR SPECIFIC PURPOSES

Over the past two decades business and communication technology have developed vastly, and this in turn has created a revolution in the field of English language teaching. This has greatly impacted course designers who have been forced to divert their attention from the traditional teaching of English for Academic Purposes to a more specialized teaching of English for Specific Purposes (ESP).

ESP incorporates many components, some of which can be identified as English for Academic Purposes (EAP), English for Occupational Purposes (EOP) and English for Tourism Purposes (ETP). EOP, when compared with ESP is more general as it encompasses the basic English skills, namely, reading writing listening and speaking as is in the case of ESP. However, EOP differs from ESP due to the fact that it places emphasis on general basic skills essential for students in order that they may be prepared and have ‘work-place readiness’ rather than focusing on specific job disciplines. EAP is an important component especially for students at tertiary level who belong to and inter-mingle in an educational environment. Thus EAP is relevant as the status of English has changed from

simply being another foreign language to being a universal form of communication which is used in all walks of life. As pointed out by Dudley-Evans and St. John (1998:95), when teaching a language for occupational purposes, it is necessary to analyze the four traditional skills of a language within the suitable context – the conditions in the work place.

“English for specific purposes is a term that refers to teaching or studying English for a particular career (like law, medicine) or for business in general (International Teacher Training Organization. 2005). According to Pauline C. Robinson (1989) ESP is a form of ELT (English Language Teaching) which is “goal-oriented language learning’ where students are expected to achieve a specific goal in the process of their learning. She further adds that “Students study ESP not because they are interested in the English language as such but because they have to perform a task in English. Their command of the English language must be such that they can reach a satisfactory level in their specialist subject studies” (p. 396).

Thus it could be said that in ESP, ‘special’ indicates the purpose for which English is learnt. English is thereby learnt using a field that students are familiar with. As such, this English becomes relevant and meaningful because students are able to put into practice what they have learnt in the ESP classroom, in their respective field of work and study. This approach builds up and supports the relevance of what students learn. In this scenario, the English they already know assists them in learning more English and widening their language horizons. Thereby it could be said that the students’ area of interest in their chosen fields motivates them to interact with other speakers. Thus ESP successfully weaves together subject matter and English language teaching. This combination spurs on high motivation among students who are thus able to apply what they have learnt in their English class, to their chose/specialized field of study, whether it be law, medicine, accountancy, engineering, business management, economics or tourism. Hence, student’s ability to use the vocabulary and language structures learnt in the English language classroom, in a meaningful context (in their work places), builds up motivation and reinforces what has been taught. This is further endorsed by Hutchinson and Waters who stress on a ‘learning-centred approach’ where the learner’s reason for learning the language takes precedence over other factors – whereby content and method are fashioned according to the learner’s needs.

An ESP programme adopts a positive step towards enhancing the English required for a specific need as it is built on an assessment of the needs for which the learning of the

language is required. According to Sujana (2005), ESP courses intend to prepare learners with a certain English ability for a situation where the language will be used such as target need, and this is no different in tourism. Many researchers have made mention of the fact that language varies according to the context, and therefore methods and contents of second language teaching should vary accordingly to meet the requirements of learners in specific situations (Hutchinson and Waters, 1987). They further add that “needs” can be explained using three terms, namely “necessities”, “wants” and “lacks.” According to Hutchinson and Waters (1987) “necessities” are the demands of the target situation, which means what the learner ought to know so as to work effectively and efficiently in the target situation. Thus it could be said that the focus of ESP is more on the language in a given context, rather than on teaching language structures and grammar; this context could vary from engineering and accountancy to business studies and tourism.

03. ENGLISH FOR TOURISM PURPOSES

Within the periphery of the gamut of contents of ESP, English for tourism stands out for the reason that every human being is a tourist in this world at some point in time. Within the four walls of the classroom students become ‘tourists’ as they bring in their many experiences from varied backgrounds into the classroom and this makes the classroom atmosphere more attractive. Inside the English classroom at tertiary level, the language needs of the students could vary, from reading and writing skills required for business administration graduates engaged in designing courses to spoken skills needed for students who intend to be tour guides. With special reference to English for tourism, it should be borne in mind that English cannot be taught as a separate subject divorced from the student’s real world. Instead, in keeping with the concept of needs-analysis where the needs of the learner are the main focus, English must be integrated into a subject matter area which is important to a student. Most studies in the area of English for students of tourism have concentrated on the analysis of the required skills and needs in the work place, suitability and relevance of materials used for instructions and strategies. It has been found that the type of work plays an important role in the assessment and usage of English. Al-Khatib (2007) studied the communicative needs of banking and tourism staff investigating their awareness of attitudes, needs, wants and lacks towards the English language so as to include what they really need and remove what they do not seem to consider as ‘important.’ It was found that travel agency workers required

communication mainly to provide destination guides, browse the internet, do online ticketing and make online hotel bookings, corresponding via emails and faxes etc. Al-Khatib's study found that in comparison, travel agency users were heavy users of English when compared with their banking counterparts. Thus English language learning is essential amongst tourism students at tertiary level.

Countries such as Sri Lanka attract millions of tourists annually bringing about much needed revenue to the country from tourism related activities. The human resource factor which is an essential segment in the tourism industry plays an all important role in promoting the image of a country as a prime tourist destination. The common concept is that tourists visit a country to enjoy the facilities and attractions which that country has to offer. As part of this process, many tourists expect to be treated well, and it is undoubtedly a satisfied tourist who will recommend a particular destination to others, thereby making recommendation by word of mouth much more effective than through the use of advertisements.

In order to understand the needs of tourists, a good command of the English language is an asset as English is the 21st century lingua franca. This is why it is an imperative for those in the tourism industry to have a good command of the English language, since a majority of tourists speak English. It could thereby be said that proficiency in the English language takes a prominent place in the tourism industry.

In a study done by Barancic (1998), an integrated approach was used to involve students in the process of designing a course for tourism and culture. The results of this course pointed to the fact that there were needs which teachers of English for tourism had to focus on, which were less academic and more realistic in nature. Thus it could be inferred that users of ETP need to concentrate on maintaining and increasing fluency, accuracy and communication ability.

It is therefore important that graduates aspiring to seek employment in the rapidly advancing tourism and service industry be motivated in improving their English language skills, especially the spoken skill. The need is therefore of prime importance in designing and developing special ETP courses and curricula in addition to classroom materials and activities which will be beneficial for students to improve their English language skills and increase their motivation. According to Nunan (1987) it is vital that the teacher designs and develops a suitable curriculum, taking into account the successful communication in the occupational

setting. He further adds that ETP courses must focus on factors within an international context.

Hutchinson and Waters (1987) are of the view that there are ways in which the written form of English and the spoken form of English differ. Words, discourse and utterances differ according to the context in which they are used, thereby having different meanings and connotations. It is therefore important that, in the field of international tourism and service industry, graduates are aware and knowledgeable of this and are able to differentiate between these different meanings. It is important for those who aspire to further their careers in international tourism in the field of ETP, especially amongst second language speakers of English, to be careful of the language they use and the context in which they use it (Hutchinson and Waters, 1987). This is further highlighted by MacKay and Mountford (1978) who distinguish the difference between communicative language and restrictive language when they say:

“...the language of international air-traffic control could be regarded as ‘special’, in the sense that the repertoire by the controller is strictly limited and can be accurately determined situationally, as might be the linguistic needs of a dining-room waiter or air-hostess. However, such restricted repertoires are not languages, just as a tourist phrase book is not grammar. Knowing a restricted ‘language’ would not allow the speaker to communicate effectively in novel situations or in contexts outside the vocational environment” (pp.4-5).

As is with other subjects, motivation is an important component in the teaching of English as a second language (TESL), as TESL has an impact on the social nature of students because it requires especially students of tourism to adopt new social and cultural behaviours (Gardner, 1979; Williams, 1994). Nevertheless motivation could be increased by exposing students to a target culture and a target language outside the classroom. It is an imperative that those who are attached to the tourism industry which encompasses both the international and local segments must be multicultural and multilingual. Students must be taught to accept and respect different cultures in order that they may accept and respect those who belong to these cultures. Spitzberge and Cupach (1984) and Collier and Thomas (1988) defined communication competence as various behaviours which are perceived by these students to be suitable and effective in different contexts. Thus, in order to understand this concept of communicative competence, students of tourism at tertiary level need to be appraised of the

cultural implications of their words and actions. Fink (2003) is of the view that people make meaning, based on their past experiences and on the information and ideas they encounter. Thus to be able to interact effectively with others, it is important to be able to decipher the different view-points and interpretations of others.

04. CONCLUSION

It is vital to impress upon students of tourism the paramount importance of English in their education and chosen field of study, especially at tertiary level, as it is an essential tool for their future development. Tourism related activities such as the promotion of tourist destinations, providing tourist information and tourism related management activities, making presentations to audiences, engaging in telephone conversations, attending fairs and conferences, being able to exchange written information on tourist destinations, to name a few, are areas which require a good competence in English. As such students of tourism need to be motivated in improving their English proficiency, especially due to the fact that the oral skill will be required more than the written skill. Practical English classes for tourism students at tertiary level will undoubtedly be a boost to the image of the tourism industry. Additionally, a variety of suitable and interesting texts and activities which provide a range of diverse skills needed for their working environment should be included in the course content. A range of activities that introduce new vocabulary and enhance communicative and reading skills are important to be included in such courses. The careful inclusion of appropriate teaching material which addresses learner needs, having identified the requirements of tourism students at tertiary level, will provide them with professional fulfillment in their careers and, in the long run, produce satisfied customers.

Tourism is all about journeying to see new places, experiencing a variety of cultures and gathering knowledge about the world. Thus students of tourism at tertiary level need to get involved in this journey in order to achieve the final goal. Tourism is undoubtedly an eye-opening experience and becoming proficient at ETP will afford human beings the opportunity of exploring and enjoying the world at their own pace, in their own way, which is unique to each individual. Additionally, a good knowledge of ETP will better equip human beings, especially those at tertiary level with a penchant for pursuing their futures in the ever-widening ambit of tourism with suitable linguistic tools required to travel or for work-related activities. Providing learners with every opportunity to achieve their desired goals is one of the prime responsibilities of an educator and thus further research into this ever-widening

field of English for tourism purposes, will undoubtedly benefit learners, increase their motivation and provide a platform for improving their language skills in English.

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INFORMATION TECHNOLOGIES & COMPETITIVENESS IN HOSPITALITY. CASE STUDY OF GREEK RESORT HOTELS

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Abstract

Hospitality businesses need to implement a number of strategies so as to compete successfully in today's tourism market. Hoteliers can use information technologies in order to improve service quality, deliver exceptional guest satisfaction and increase revenues, as well as market share. This article explores what are the success factors on ICT and examines whether the ICT investments enhance competitiveness in the hospitality sector and to what extent. The survey was conducted in Chalkidiki, Greece and reveals that the top 5 ICT systems considered to be the most critical to success for the hotel managers are: guest security systems; website development with booking engine; on-line guest satisfaction evaluation; high-speed/WiFi Internet; and, the property management systems. Furthermore, adequate and proper investments in new technology systems enhance the hotel competitiveness in terms of efficiency, effectiveness and profitability. This study was limited to high-class resort hotels in North Greece. Another limitation was the reluctance of some hoteliers to share operating performance and financial data of their lodging. Despite this fact, the sample is considered representative for reliable conclusions, since its size accounts for the 92% of the region's upper class bed capacity. A competitive analysis in the area of ICT, as well as the application of both benchmarking and empirical analysis for the hotel economic assessment are among the main contributions of this study. The findings and proposed analyses can help hotel managers evaluate and compare their property with the competitive set and utilize the results in order to enhance their competitiveness.

Keywords: *information technologies, hospitality, competitiveness, resort hotels, capital expenditures*

01. INTRODUCTION

Hospitality businesses need to follow a number of principles in order to compete successfully in today's tourism market place. These principles include: put guests first and ensure they feel important, special and comfortable; be a leader in quality; develop radical innovations; and, strengthen the hotel's strategic position within the industry (Poon, 1993 & Hayes et al., 2011).

Information technologies help the hospitality sector reach two of the main goals of a hotel: to deliver exceptional guest satisfaction and increase profits. The hotels that will be successful in the next few years are the ones that do everything possible to satisfy their guests and offer high-tech yet high-touch services (Walker, 2010).

The purpose of this article is to explore what are the success factors on Information & Communication Technologies (ICT) and examine whether the ICT investments enhance competitiveness in the hospitality sector and to what extent.

After extensive literature review we found out that the above facts are missing from the contemporary literature and thus, we conducted a survey in 4 and 5-star resort hotels in Chalkidiki, Greece so as to identify answers to the research problem.

The applied methodological approach includes the following procedures:

- Data collection for the ICT assessment, as well as for the economic performance of the sampled hotels.
- Identification of the most critical success factors on ICT.
- Investigation whether the capital expenditures (CapEx) on ICT made by the hotels of the sample have created a competitive advantage enhancing, over the years, their economic performance. Towards this goal:
 - ⇒ The average percentage of the hotels' CapEx for ICT investments, as well as various economic performance indicators of the properties are set forth. The economic performance indicators include: Labour Productivity; Efficiency Indexes; Effectiveness; and Profitability Indexes.
 - ⇒ Benchmarking process and empirical analysis are both used in order to compare the hotels with each other and the industry averages as well, and for the assessment of their performance.

Towards achieving our objectives, we quote in the article the following data:

- Hotel capacity in Chalkidiki (Table 1).
- The sample characteristics (Table 2).
- The hotel critical success factors in the area of ICT (Table 3).
- The average percentage of capital expenditures of the surveyed hotels for ICT investments over the period 2005-2010 (Table 4).
- The results of the benchmarking process for the key indicators of the hotel sample, as well as the respective industry averages (2005-2010). The hotel performance indicators include the variables: labour productivity, efficiency, effectiveness and profitability (Table 5).

02. LITERATURE REVIEW

Competitiveness

The competitiveness of a country derives from the performance of its businesses which include the hotel enterprises (Barros, 2005). While a community's growth stimulates hotel performances, in turn hotels contribute to the community's economic, social and cultural development (Go et al., 1994). There are many other factors (e.g., input, process, output and outcome) that determine the hotel industry's competitiveness (Tsai et al., 2009; Roy, 2011).

The factors considered to be important for the hotel competitiveness are the following: strategic decisions (Wong & Kwan, 2001; Hwang & Chang, 2003); marketing (Kehet al., 2006; Brown & Ragsdale, 2002), including city promotion initiatives and city knowledge networks that can become an effective tool for the competitiveness of hotels (Navarro & Martinez-Martinez, 2011); consumer satisfaction, service quality and pricing; technologies and innovation (Barros & Alves, 2004); operational (in particular environmental and energy) costs (Barros, 2005); strategic alliances with competing firms (Tsai et al., 2009).

According to Olsen et al. (1998); Tsai et al. (2009); Navarro & Martinez-Martinez (2011); and, Roy (2011), the major determinants of hotel competitiveness are: location; technology; human capital, education level and training; strategies; productivity; capital; guest satisfaction-service quality; brand image; strategic alliances; strategic investments; operational efficiency; market conditions; demand conditions; pricing; niche marketing; process management.

In this article, competitiveness is seen as involving elements of productivity, efficiency, effectiveness and profitability.

Productivity and Efficiency

Productivity measures how well production processes transform resource inputs into outputs and it is the quotient between output(s) and one, more or all inputs used in a production process (Keh et al., 2006). Hotel productivity includes efficiency, effectiveness, quality and predictability (Tsai, Song & Wong, 2009).

Service firms can increase productivity in four ways: by improving their labour force through better recruiting or more extensive training; by investing in more efficient capital equipment; replacing works with automated systems; recruiting consumers to assist in the service process (Lovelock & Young, 1979).

Efficiency is connected to how input resources are utilized and is achieved when the marginal productivity per unit is equated across all resources that contribute to a firm's output (Keh et al., 2006). Tangen (2004) describes efficiency as 'doing the things right' and according to Walker (2010) efficiency is getting the most done with the fewest number of inputs.

Effectiveness and Profitability

Effectiveness is concerned with determining which strategy – among all possible strategies – maximizes long-term Return on Investment (Keh et al., 2006). According to Tangen (2004) and Walker (2010) effectiveness is doing 'the right thing' (e.g. reaching the strategic goals).

On the other hand profitability is the efficiency of a hotel company at generating earnings. So to speak, profitability illustrates how well the management makes investment and financial decisions to generate profits. Profitability ratios are often used to measure how effectively a company's management is generating profits on sales, total assets and stockholders' investments (Moyer et al., 2001).

Information Technologies

Technological innovation is essential for both a nation and its hospitality sector to enhance competitiveness and prosper. To this direction, it is critical for an economy and a business to adopt existing technologies in order to enhance productivity and fully leverage ICT in daily

activities and production processes for increased efficiency and competitiveness (World Economic Forum, the Global Competitiveness Report 2011-2012).

Tourism and hospitality is an extremely information-intensive industry. The rapid development of information technologies facilitates the speed and efficiency with which the industry's information is processed, distributed and otherwise manipulated. Technology makes it possible to: increase efficiency of production; provide better quality services; more effectively market and distribute services; release human hours for "high touch" services, and; generate completely new and flexible services (Poon, 1993).

According to Nyheim et al. (2005), hospitality firms can use technology in order to: lower their cost structure; increase revenues and market share; create unique value propositions for guests; create unprecedented returns for investors.

Hotels are among the industry players who use information technologies in order to carry out their front office, back office and food and beverage operations; to entertain their guests and to distribute their bed nights in the marketplace (Poon, 1993).

The kinds of technology used throughout the hospitality industry vary widely depending upon the size and type of hotel. Hotel back-office systems are becoming increasingly sophisticated and are widely recognized as being a key to improved profitability. Moreover, in-room technology is rapidly becoming a very real competitive differentiator (Inkpen, 1998).

Wigand (cited in Werthner), has depicted the value or profit impact of IT not as direct, but as indirect. It occurs via the improvement of business process. This makes it difficult to measure improvements in productivity. The direction of change has to be aligned with the business strategy, which by itself is affected by the enabling potentials of IT (Werthner, 1999).

In hotel business, technological change means investing in new techniques with the aim of improving results. Information Technology (IT), such as the Internet, intranets, and central reservation systems, is one of the crucial technology investments that are often made by hotels to improve performance (Tsai et al., 2009).

Several studies have identified a positive and significant relationship between the use of IT and the development of a competitive advantage (Siguaw et al., 2000). Nyheim, McFadden & Connolly (2005) define competitive advantage as a property's (or chain's) ability to attain and maintain a strong bottom line. Furthermore, IT decisions can play an important role in

areas such as employee productivity, revenue enhancement and guest service (Siguawet al., 2000).

Ham et al. (2005) examined the effect of IT applications on the performance of lodging operations. Their findings indicate that the installation of computer applications in the front office could improve hotel performance. Although installing back-office applications may not contribute to the improvement of hotel performance in the short-term, it does help with the improvement of the hotel's long-term productivity. Moreover, their study showed that restaurant and banquet management systems have a significant impact on the performance of the hotel operation.

At EU level a survey by e-business w@tch (2006) provides evidence for a high ICT impact on the organization of internal work operations, services and supplies of the tourism companies. More specifically the survey revealed that the percentages of tourism companies observing a positive influence of ICT in various business areas are as follows: revenue growth 51%; business process efficiency 57%; internal work processes 63%; procurement costs 37%; product/service quality 41%; customer service 53%; and, productivity 58%.

Data from another survey show that over the past few years an increasing share of total turnover for accommodation services is generated via internet (ECORYS, 2009).

Jonsson & Devonish (2009) found out that among the used competitive strategies, the "Leveraging information technology to deliver value" was ranked as the most important competitive strategy used in their total sample.

Moreover, Scholochow et al. (2010) presented a data envelopment analysis model in order to investigate ICT's efficiency and effectiveness in the Austrian hotel sector. Their results show that the impact of ICTS on productivity gains is positive and significant.

As it regards the penetration of Information and Communication Technologies into the Greek Tourism Sector, a field research in hotels in 2007 (sample of 250 hotels) has shown that the computer usage in the Greek hotels is 78%, whereas the Internet usage is 74%. The ICT profile of the hotels is as follows: proprietary website 63% of the sample; participation in an advertising website 46%; on-line procurement 19%; on-line sales 50%; use of ERP systems 11%; use of CRM (Customer Relationship Management) 13% (Observatory for Digital Greece, 2007 & 2009).

Another research carried out in 2008 by the Research Institute for Tourism (sample of 289 small and medium size hotels) found out that the 83,4% of the hotels uses the Internet for room reservations, with the average percentage of reservations being 10%. The percentage of hotels that have a website is 88,9% and from the rest of the properties (11,1%), that do not have a website, the 68,8% intends to develop one in the near future.

The same study reveals that from the 51,2% of the hotels programming to make capital expenditures, the majority (34,8%) intends to invest in room renovations and only the 12,2% plans to invest in new technologies.

Capital Expenditures for Technology

Hotels normally reserve at least 4% of gross revenue for new furniture, fixture and equipment, technology upgrades and new mechanical systems. Nevertheless, the 4% reserve is not enough to meet the true capital requirements over a longer-term basis and each hotel should reserve approximately 8-9% of revenue each year for capital expenditures and repair & maintenance costs combined (Simon, 2009).

A study called CapEX on hotel **Capital Expenditures** carried out in the USA concluded that full-service hotels averaged 6,88% of gross revenues on CapEX from 1983-1993. The average CapEX for all hotels was 5,77% of gross revenues over 25 years. The same study showed that in the full-service hotels the breaking down of CapEx into components is as follows: rooms & corridors 40%; food & beverage 15%; other public space 15%; building 15%; other 7%; technology 5%; ADA/Life safety 3% (Berg & Skinner, 1995).

Based on the CapEX 2007 study of capital expenditures in the hotel industry, the Furniture Fixtures & Equipment (FF&E) expenditures by property age per available room in the full service hotels are as follows: for properties < 5 years old: 2,3% of gross revenues; from 5-15 years old: 3,5%; > 15 years old: 5,4%; overall: 5,1% (Stanford, 2008).

Armijos et al. (2002) studied technology investments in the lodging operations and found out that the average capital expenditures for technology as a percentage of total revenues increased from 4,26% in 2000 to 4,98% in 2001, while technology operating expenditures as a percentage of total revenues increased from 5,59 to 6,26% in the same period.

03. METHODOLOGY

To examine what are the success factors on ICT, as well as whether the investments on information technologies enhance competitiveness in the hospitality sector, and to what extent, the applied methodological approach includes the following steps:

Data Collection and Sample Characteristics

The nature of our study requires a plethora of input as well as a long-term (2005-2010) investigation into sensitive areas of the hotel's management, such as efficiency and profitability. Due to this fact, the data were collected both through questionnaires and in site visits to the hotels for direct collaboration with their managers and executives whenever this was necessary. Moreover, an extensive elaboration of data published in several sector studies and financial directories took place so as to calculate indicators and industry averages.

The hotels of the sample are located in Chalkidiki, Greece and the survey was conducted from April to September 2012. We selected Chalkidiki for our survey for the following reasons: the area is one of the key tourist destinations in Greece, it has a considerable number of resort hotels and more than one third of its hotel capacity belongs to the luxurious and high class lodgings, which as generally admitted, keep reliable and well-organized records.

The data concerning hotel capacity in Chalkidiki are as follows (Table 1):

Table 1

Hotel capacity in Chalkidiki (2010)

Hotel classification	Nr of hotels	Nr of rooms	Nr of beds
5*	19	3.213	6.852
4*	44	5.946	11.666
Total (all hotel categories)	526	23.667	46.526

Note: The 5 & 4-star hotel beds are the 39,8% of the total hotel bed capacity.

Source: Association of Greek Tourism Enterprises

The questionnaire we developed for the study was sent to all 63 upper class hotels of Chalkidiki. Since some hotel managers were not willing to share their financial data, six questionnaires were not answered and the sample consists of 57 hotels (90% of the total 63 four and five-star hotels operating in the region). Some of these hotels belong to the same company or group of hotels, and they publish consolidated balance sheets and performance data. The personal contacts for obtaining or clarifying the ICT, performance and financial data included collaboration with each hotel's general manager, as well as the financial, ICT, sales & marketing and human resources manager (a total of 285 executives).

The questions included in the questionnaire can be classified into four basic groups: (a) the hotel basic characteristics, such as: classification, bed capacity and number of employees; (b) the contemporary technology systems used by the property and the factors considered to be the most critical to success for the hotel; (c) the capital expenditures made by the hotel for ICT investments over the period 2005-2010; and (d) the property's economic data and performance for the same period.

Profile of the sample

General description of the hotels: all the properties are 4 and 5-star resort hotels. Their location by the beach and the physical environment is considered to be one of their major advantages; all the hotels offer a big variety of food and beverage services; all the properties are managed directly by the ownership and not by third-party professional companies.

The basic characteristics of the sample are (Table 2):

Table2

Sample Characteristics

Number of Hotels	Classification	Bed Capacity
17	5*	6.508
40	4*	10.619
Total Number of Employees: 16.740		
Market Share (5-star hotels): 6,35%		
Market Share (4-star hotels): 5,40%		

Source: author's own elaboration

Note. Market Shares in terms of the Overall (Greece) Amount of Beds, per Hotel Category.

Identification of the Sample's Success Factors on ICT

In order to identify the most critical success factors of the competing hotels concerning the application contemporary technology systems, we conducted a competitive analysis by entering the collected data in the Hotel Competitor Analysis Tool (H-CAT): a Strategic Positioning Tool for Managers (Enz& Thompson, 2011). This tool is an Excel spreadsheet designed to help managers make strategic comparisons between competing hotels on critical success factors. Our analysis concerned the ICT assessment of the hotels that compose the sample.

The results of the analysis show that the ICT factors (and their weight) considered to be the most critical to success for the hotels in question are (Table 3):

Table3

Hotel Critical Success Factors in the Area of ICT

SN	FACTOR	WEIGHT % (respondents average)
1.	High-speed / WiFi Internet	10
2.	Website development with booking engine	15
3.	Guestroom phones with automatic features	5
4.	Smart-cards applications	8
5.	In-room media devices	5
6.	Guest security systems	20
7.	On-line guest satisfaction evaluation system	12
8.	Points of Sales system	7
9.	Intranet and extranet technologies	8
10.	Property Management Systems	10
TOTAL WEIGHT:		100%

Source: author's own elaboration

The hotels of the sample are used for further analysis and study aiming to test whether their capital expenditures (CapEx) in new technologies have enhanced, over the years, their competitiveness and performance.

Investigation if the Capital Expenditures on ICT Create a Competitive Advantage

Given the ICT-intensive nature of hotel businesses, the next methodological step is to investigate whether the level of capital expenditures on ICT made by the hotels of the sample over the period 2005-2010 have created a competitive advantage in relation to: a. their direct competitors and b. the Greek hospitality sector in total.

Towards this goal, we quote the sample's average percentage of CapEx for ICT investments during 2005-2010 (Table 4), as well as the sampled hotels' key facts and the respective industry averages (Table 5) for the following economic performance indicators:

⇒ Labour Productivity.

⇒ Efficiency indexes: Return on Equity and Return on Capital Employed.

⇒ Effectiveness: Annual occupancy; Turnover; Revenue per Bed, and

⇒ Profitability indexes: Margins of Gross Profit, Operating Profit, Net Profit and EBITDA.

Moreover, benchmarking and empirical analysis is used for the comparison of hotels and for the assessment of their performance.

ICT Investments

The Table 4 shows the average percentage of capital expenditures of the surveyed hotels for ICT investments over the period 2005-2010.

Table4

Average Percentage of CapEx for ICT Investments (%) 2005-2010

Number of Hotels	Percentage (%) on CapEx
3	8,0
2	7,0
5	6,5
4	6,0
8	5,5
7	4,5

4	4,0
2	3,0
9	2,5
6	2,0
5	1,0
2	0,5

Source: author's own elaboration

Note. This percentage includes the cost for purchase, installation, operation, maintenance, upgrade and training on ICT systems.

Economic Performance Indicators and Benchmarking

The *labour productivity* in the hospitality sector is measured by dividing the total revenue by the number of full-time equivalent employees (Walker, 2010). We adopt this simplified way of productivity measurement in order to be able to compare all the hotels of our sample by using the same standards.

The *efficiency* of hotel enterprises is assessed by using the indexes Return on Equity and Return on Capital Employed (ICAP, 2012). *Effectiveness* is evaluated by the hotels' operating performance. The hotel performance assessment methods include the following variables: average annual occupancy, turnover (sales) and revenue per available bed (Kasavana & Brooks, 2005). For the assessment of *profitability* the indexes of Gross Profit, Operating Profit, Net Profit and EBITDA margin²⁹ are used (ICAP, 2012).

In order to assess the performance of the hotel companies, benchmarking process of their key performance indicators for the period 2005-2010 is applied. The average indicators of the hotel sample, as well as the respective industry averages are presented in *the Table 5*:

Table5

Sampled Hotels Key Indicators & Industry Averages (Mean 2005-2010)

<i>Performance Indicator</i>		<i>Hotel Sample</i>	<i>Industry Averages</i>
<i>Labour Productivity (€)</i>		<i>45.352</i>	<i>23.400</i>
<i>Efficiency</i>	<i>Return on Equity (%)</i>	<i>-1,55</i>	<i>-8,05</i>
	<i>Return on Capital Employed (%)</i>	<i>1,32</i>	<i>-2,13</i>
<i>Effectiveness</i>	<i>Average annual occupancy (%)</i>	<i>74,41</i>	<i>55,93</i>
	<i>Turnover (Mio €)</i>	<i>8,76</i>	<i>4,012</i>
	<i>Revenue per available bed (€)</i>	<i>7.688</i>	<i>7.150</i>
<i>Profitability</i>	<i>Gross Profit Margin (%)</i>	<i>15,065</i>	<i>23,06</i>
	<i>Operating Profit Margin (%)</i>	<i>-14,82</i>	<i>-14,86</i>
	<i>Net Profit Margin (%)</i>	<i>-2,36</i>	<i>-15,83</i>
	<i>EBITDA Margin (%)</i>	<i>5,32</i>	<i>18,07</i>
<i>Average Percentage of ICT on</i>		<i>4,0</i>	<i>N/A</i>

Source: author's own elaboration

04. RESEARCH FINDINGS

After having studied and analysed the data of the hotel sample, the main findings can be summarized as follows:

- The ICT factors (and their weight) that are considered to be the most critical to success for the managers of the sampled hotels are:
 1. Guest security systems 20%
 2. Website development with booking engine 15%
 3. On-line guest satisfaction evaluation system 12%
 4. High-speed / WiFi Internet 10%
 5. Property Management Systems 10%
 6. Smart-cards applications 8%
 7. Intranet and extranet technologies 8%
 8. Points of Sales system 7%

9. In-room media devices 5%

10. Guestroom phones with automatic features 5%.

- The average percentage of the surveyed hotels' ICT investments on CapEx (2005-2010) is 4% (35 hotel companies have spent less than 5% and 22 have spent more than 5%).

- There is a positive correlation between the investments on technological change and the enhancement of competitiveness. More specifically:

Those hotels that have spent more than 5% of their capital expenditures on contemporary technologies the period 2005-2010, have increased competitiveness (efficiency, operating and net profit margin) compared to their competitors. There are 20 hotels in this category. Moreover, compared to the industry averages (5* and 4* hotels), the specific hotels have enhanced indexes in terms of efficiency, turnover, operating profit margin and net profit margin.

However, those hotels that have not invested enough in contemporary technologies (less than 5% of their CapEX) show declining competitiveness especially in terms of efficiency and profitability. The number of hotels belonging to this category is 35.

The 3 hotel resorts that have spent on average 8% of their CapEx for ICT Investments have the highest economic performance indicators in terms of efficiency, effectiveness and profitability compared both to their key competitors in the area, as well as to the Greek industry averages.

The only exceptions to the above findings are two 5-star hotels which have invested in new technologies, but despite this fact they have negative economic results till 2008. Further investigation has shown that after this year, the specific hotels were absorbed by another company that after a huge increase in capital expenditures in 2009 appears to be profitable in 2010.

- The data show that in the case of some hotels, labour productivity is unusually high but their "profitability" margin is negative. The only possible interpretation for this phenomenon is that some companies employ a high number of foreign employees who are not registered with the local Social Security Organization. Since labour productivity is the quotient of total revenue by the number of (registered) employees, the result sometimes does not reflect reality.

- According to the management of the hotels having been found competitive on overall performance, the main factors contributing to the creation of their competitive advantages and the weighting index of each factor in competitiveness are the following: proper strategic

decisions 30%; high standards of service quality & guest satisfaction 20%; well-trained & motivated staff 20%; continuous technology & innovation investments 20%; careful control of operational costs 10%.

As for the technological systems and factors that have contributed significantly to the creation of their competitive advantages, these are the following: Key lock System; High-speed / WiFi Internet; Website development with booking engine; Property Management and Human Resources Management system; Points of Sales system (PDAs included); In-room media devices including guest comfort and convenience features; Web based guest questionnaires; Continuous training of staff on the use of technological systems, always towards guest satisfaction and offer of high quality services.

05. LIMITATIONS AND FUTURE RESEARCH

This study was limited to 5 and 4-star resort hotels in Chalkidiki, Greece. Another limitation was the reluctance of some hotel managers to share operating performance and financial data of their property. Despite this fact, the sample is enough for reliable findings and conclusions, since the sample's size (bed capacity equal to 17.127 and 92% of the region's upper class total capacity) is considered representative.

Future research is suggested to include hotels of all types (e.g. city hotels), sizes and levels of service, as well as properties from wider geographical areas. Likewise, the guest perceptions on the subject should be taken under consideration for having more global and precise results.

Furthermore, due to the very high number of variables required for the measurement of hospitality competitiveness, the future researchers should focus on developing comprehensive, yet reliable and effective methodologies that will help the industry players understand, apply and interpret both the input and the outputs of the assessment.

06. CONCLUSIONS

According to a considerable number of authors, researchers and reports, technology can be used in hospitality in order to enhance service quality, competitiveness, revenues and market share.

This study was intended to identify the most critical success factors on ICT and examine the impact of ICT investments on the competitiveness of high-class resort hotels in Greece. In order to achieve the study purpose, the following analyses took place. First, a competitive

analysis in the area of ICT was conducted. Second, data on ICT investments and economic performance were elaborated and their mean was presented by descriptive statistics. Third, benchmarking as well as empirical analyses were performed to identify whether the level of capital expenditures on ICT had significant effects on the competitiveness of the sampled hotels.

The research sample was comprised of 17 five-star hotels and 40 four-star resort hotels located in Chalkidiki, Greece. The market share (in terms of the overall amount of beds per hotel category) of the sampled 5 and 4-star properties was, respectively, 6,35% and 5,40%.

The data were collected through questionnaires and several in site visits to the hotels and direct collaboration with their managers (a total of 285 executives). Moreover, in order to calculate the required variables, an extensive elaboration of data published in several sector studies and financial directories took place.

The competitive analysis conducted in the area of Information and Communication Technologies, as well as the application of both benchmarking and empirical analysis for the economic assessment of the hotels are among the main contributions of this study.

The study revealed that adequate (more than 5% of annual capital expenditures) and proper investments in new technology systems enhance the competitiveness of the hotels in terms of efficiency, effectiveness and profitability. The top five ICT systems that are considered to be the most critical to success for the hotel managers are: guest security systems; website development with booking engine; on-line guest satisfaction evaluation; high-speed / WiFi Internet; and, the property management systems.

The above findings, as well as the proposed analyses of this study can help hotel managers evaluate and compare their property with the competitive set and utilize the results in order to enhance their competitiveness.

The future outlook

It is expected that in the next years the competition in the lodging industry will be increased both at global and national level. In order to survive, the hospitality companies need to continually pursue new, different opportunities for the future. Success will depend on adoption of innovative strategies and creation of competitive advantages that will help the hotels establish, maintain or improve their position in the market. Based on the findings of

the current article, proper technology and innovation investments at adequate level can contribute towards hotel efficiency, effectiveness and profitability enhancement and, therefore, to their success in the competitive game.

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¹The indexes used for the assessment of the sample's efficiency and profitability are calculated as follows:

Efficiency indexes

$$\text{Return on Equity} = \frac{\text{PROFIT BEFORE TAX}}{\text{EQUITY}} \times 100$$

$$\text{Return on Capital Employed} = \frac{\text{PROFIT BEFORE TAX}}{\text{LIABILITIES}} \times 100$$

Profitability indexes

$$\text{Gross Profit} = \frac{\text{GROSS PROFIT}}{\text{SALES}} \times 100$$

$$\text{Operating Profit} = \frac{\text{OPERATING MARGIN}}{\text{SALES}} \times 100$$

$$\text{Net Profit} = \frac{\text{PROFIT BEFORE TAX}}{\text{SALES}} \times 100$$

$$\text{EBITDA} = \frac{\text{EBITDA}}{\text{SALES}} \times 100 \text{ (EBITDA is the total resulting as the sum of Operating margin + Financial costs + Accounted depreciation costs), ICAP, 2012.}$$

[33]

EXAMINING THE FEASIBILITY OF AGROTOURISM DEVELOPMENT IN SRI LANKA: A CASE STUDY OF THE FRUIT CROP RESEARCH AND DEVELOPMENT CENTER, HORANA

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Abstract

This study recognized the major determinants of both supply and demand sides of agro-tourism in Sri Lanka and estimated the feasibility of promoting agro-tourism by taking a case study in the Fruit Crop Research and Development Center located, in Horana. The demand side survey was carried out through face-to-face interviews. The interviews were designed to get information including trip characteristics, on the social and economic background of the respondents. The study was targeted to carry out a contingency valuation method with identifying the relationship between the willingness to pay for the proposed destination with demographic and trip characteristics. Based on the potential index evaluation, the proposed destination falls to a high potential zone but marginally. Followed by stakeholder analysis, the researcher came up with the roles of each stakeholder fundamental requirement for the agro tourism facility. Of the cost benefit analysis, NPV was positive and IRR was 14.32%. The foreign tourist survey sample consisted of 53 respondents of which, 77.4% were male and 22.6% were female. Tour origin percentage were, from UK 39.6%, USA 15.1%, France 3%, German 5%, Australia 3% and other category 24.5%. Sri Lanka has a great potential to develop and expand agro-tourism, mainly because of geophysical and climatic diversity. The different types of agro products as well as variety of rural traditions and festivals. The lack of awareness among the farming and agricultural communities need to be addressed if agro tourism is to develop to its potential in Sri Lanka.

Keywords: *Agro tourism, Supply side feasibility, Demand side feasibility, Willingness to pay, Contingency valuation*

01. INTRODUCTION

Tourism is one of the largest industries in the world as well as in Sri Lanka and is the fourth largest earner of foreign exchange for the national economy (Statistical Report, 2007). While traditional tourism provides vital employment and foreign exchange, it does also have its negative aspects. These are, amongst others, an erosion of traditional values, increase in vice. (ECOT, 2007). This research would look in to a more sustainable form of tourism which is popularly called Agro-tourism. This will not replace traditional tourism but will hopefully introduce a more sustainable form of tourism to the country.

Agro-tourism is a way of sustainable tourist development and multi-activities in rural areas through which the visitor has the opportunity to get aware with agricultural areas, agricultural occupations, local products, traditional food and the daily life of the rural people, as well as the cultural elements and traditions. Moreover, this activity brings visitors closer to nature and rural activities in which they can participate, be entertained and feel the pleasure of touring (Mariti, 2009).

Tourism is now well recognized as an engine of growth in the various economies in the world. Several countries have transformed their economies by developing their tourism potential. Tourism has great capacity to generate large-scale employment and additional income sources to the skilled and unskilled. Today the concept of traditional tourism has been changed. Some new areas of the tourism have been emerged like agro-tourism. Promotion of tourism would bring many direct and indirect benefits to the people.

Sri Lanka is an agricultural country which economy focus development plans which has directly involved one third of the community and two third indirectly. However, today it has become unprofitable due the irregular weather patterns, prices fluctuations of Agro-products and some internal weakness of the agriculture sector. Hence, there is a need for innovative activities in the agriculture, which will help to farmers and rural community.

In addition to the agricultural resources, Sri Lanka is blessed with a rich and diversified cultural heritage. Sri Lanka abounds in numerous tourist attractions ranging from ancient cave temples, unspoiled beaches, ancient forts and monuments, forests and wildlife, unique hill stations, pilgrimage and a rich tradition of festivals, art and culture. In Sri Lanka, tourism industry depends on the traditional beach tourism. Nowadays people ask for the more activities, than lying on beach, with much novel operation. Agro-tourism will be a good tool

to offer those facilities simultaneously and bring in benefit to the local communities well as local authorities.

Objectives

The objectives of this research are follows: General Objective

Identify the feasibility of promoting agro-tourism by examining the potentials, prospects and suitable strategies to develop the tourism industry in Sri Lanka.

Specific Objectives

- Identify the available resources and potential for agro-tourism development in Fruit Crop Research and Development Center.
- Evaluate the Willingness to Pay of tourists for agro-tourism services by considering different customer segments.
- Examine the major challengers and opportunities for agro-tourism development.
- Recognize the effective strategies and policy measures that can be used to promote agro-tourism in Sri Lanka.

02. LITERATURE REVIEW

Colton and Glyn (2002) stated Agro-tourism or farm tourism is increasingly recognized as an important alternative farming activity that diversifies the economic base, provides educational opportunities to tourists, and provides greater community cohesion, Agri-tourism was recognized as a significant farming activity in Nova Scotia but poorly understood (Nickerson, Black and McCool, 2000). Telfer (2001) examined academic literature seems to have shown a greater interest and much of that literature debates the need for economic and social diversification. For example, in the USA a study by Nickerson, Black and McCool (2000) suggested "increasing financial strains on family farms have put pressure on these businesses to look outside agriculture as a means to sustain the operation".

Ca1 and Leung (2002) examined how development of agriculture might be transmitted to other sectors in the economy. Although agriculture's share of the Hawaii's economy is not very large, it has a very strong linkage to the economy both in a backward-linkage sense, and a forward- linkage sense. Kula (2008) explained Linkage analysis is an important analysis for

an economy to shows the importance of sectors produced goods and services. Key sectors in Turkey were agriculture, hunting and related services, food products and beverages, textiles, chemical and chemical products. Linkage analysis also allows policymakers to find out whether or not policies designed to strengthen linkages between, tourism and agriculture, have succeeded (Cal, Leung, Pan and James, 2005).

Most tourism planners agree that, in the context of developing nations, linkages between tourism and other economic sectors, such as agriculture or manufacturing, are weak and should be improved. Tourism must be integrated into the local economy and successfully serve to promote other local activities in order to meet development goals. This has also been recognised by government planning offices such as in the Gambia where the tourism development policy explicitly states the desire and need to increase linkages with the local economy (Belisle, 1984).

Powers (2004) paper examined the effect of increased country size on national production structure. Larger countries produce goods in industries with stronger ties to manufacturing, and smaller countries specialize in industries with weaker ties. Production linkages between farm and nonfarm sectors in Fiji Islands By Sharma (1984) said deficiency in production of one sector becomes the limiting factor for the growth of other sectors, thereby affecting the overall growth of the economy. It is imperative to study the magnitude of production and consumption linkages of sectors for achieving a desired rate of growth (Schultz, 1998).

Hermans (1981) argued that the fact that tourism has caused an increase in wages and attracted workers from other sectors, including agriculture, can also be explained by the fact that agricultural occupations not only pay lower wages but also have low prestige. This is supported by Weaver (1988) who analysed the situation in the Caribbean and states that the demise of agriculture can be "attributed largely to the emergence of tourism as a viable alternative to a chronically unstable agricultural sector, promoting the lateral transfer of investment capital by local and expatriate plantation interests from agriculture to tourism". In a similar note, Bryden (1973) also contended that the demonstration effect further increases the amount of imported food that local residents wanting to consume similar food to that consumed by tourists.

According to Bowen, Cox and Fox (1991) the regional impact depends on the availability of resources and how they are managed by governments. Similarly, Hermans (1981) argued citing the Spanish example of Cambrils that "indirectly tourism has been the motor for development of agriculture in Cambrils". Although agriculture in Cambrils was already profitable, tourism caused the commercialization of agriculture by providing a nearby market for close to half of the summer fruits and vegetables which could be sold at high prices to tourists.

Catalino and Lizardo (2004) analyze the links between agriculture and tourism. A contingent valuation study is presented assessing tourist's willingness to pay (WTP) for agro-tourism and agriculture's positive environmental services and related positive externalities. The paper analyzes factors influencing tourist preferences in the Dominican Republic (DR) tourist income; the local tourist destination, sex, and nationality stand out among these factors. Among the important findings are that tourists interested in participating in agro-tourism in the DR are basically motivated by the cultural experience. Perennial problem of urban-rural divide would be greatly reduced as the facilities, such as electricity, water, education and health services, necessary to harness the resources of the rural communities, would be provided (General, 2001).

03. METHODOLOGY

This research creates awareness about tourism opportunities, but also plan, develop and manage tourism and evaluate whether agro-tourism has the potential to complement the conventional tourism. First step is to understand the characteristics of the tourists' interest in agro-tourism. The supply side study was measured by assessment tool, which was developed by Sustainable Tourism Pty Ltd in Queensland, Australia by the sample survey of residence and non residence people.

Potential index describes two attributes consists of 55 statements that are expressed in very positive terms and represent ideal situations. They are regional characteristics and property characteristics. Regional characteristics consist of natural beauty, cultural and social characteristic, sport, recreation facilities, shopping and commercial facilities, public infrastructure, attitude towards tourism, accessibility and existing tourist activity. Property characteristic section examines the natural features of the property such as built features and

cultural artifacts, site infrastructure and human resource features. The rating scale of zero to five is used, five means strongly agreed with the statement and zero meaning strongly disagrees.

A survey was carried out through face-to-face interview. An interview was designed to get the information including trip characteristics, on the social and economical background of respondents and along with that Choice Experiment (CE) was carried out. Study was targeted to carry out contingency valuation method with identifying the relationship between willingness to pay for proposed destination with demographic and trip characteristics.

The study conducted in terms of feasibility of agro tourism development in Sri Lanka. The information was collected from the foreign tourist who successfully completed the tour and planed to departure at Bandaranayke International Airport Sri Lankan. Data were collected from the foreign tourist random sampling method was used to make the sample. Sample size was 53 and out of it 77.4 % males and 22.6% were females. Questionnaire was pre tested by interviewing selected target group and required adjustments were made according to the responses given.

The findings are analyzed based on the basic statistics, correlations and multinomial regression. Choice experiment data were analyzed using *stata* software and all attributes in their levels were included in the analysis using the effect coding. All other socio-economic variables were added as dummy variables. Descriptive analysis was done with the use of SPSS software.

04. RESULT AND DISCUSSION

In this section, initially describes the potential index, secondary SWOT analysis with cost and benefit follows by the statistical outcome of the survey. Based on the evaluation, proposed destination falls to high potential zone. Characteristics are as follows. Property appears to have a reasonable level of tourism potential. The region may already support some degree of tourism or at least has the potential to attract tourists. The property would also appear to be attractive to tourist, and may be suitable for some form of tourism development. However above score falls to high potential region marginally. That means successfully

implementation of the project site and market development aspects have to be considered in detail.

The SWOT analysis provides information that is helpful in matching the project resources and capabilities to the competitive environment in which it operates. As such, it is instrumental in strategy formulation and selection. The following diagram shows how a SWOT analysis fits into an environmental scan:

Strengths Basic facilities available Hospitality of the rural people Participation in rural ways of life	Weaknesses Lack of business training Scare complementary offer Absence of legislation on agro-tourism High cost of farm stay
Opportunities Promotion of the preservation of local customs and traditions Alternative market for local product Need to create new employment in rural world	Threats Lack of planning Cultural authenticity could be alters as a result of attempt to imitate the level of services of the conventional tourism

Figure: 1 SWOT analysis

Summary of cost benefit analysis represents in the table 1. NPV value was positive and IRR was 14.32%, also considered as a reasonable at current market rates.

Table 1

Expected C/B analysis summary from the proposed farm

Description	Amount
Net present value (NPV) Discounted rate @15%	Rs.1,857,754
Internal rate of return (IRR)	14.32%
Payback period	4 years
Discounted payback period	5 years

After evaluating the project feasibility, then looked at community benefit of the project. Basically figures were collected from the survey findings. As described below tourist allocated mean budget was converted in to Sri Lankan Rupee value as at the US \$ rate at 115/=. Tourists mentioned that from their total budget willing to allocate 26.33% for agro-tourism facility and out of that 21.42% for organic product, were taken as mean values. According to that, farmer community benefit in the first year was predicted approximately 30 million and monthly 2.5 million Sri Lankan Rupee in value.

Table 2

Community benefit from the project

Description	Amount
Tourist allocated mean budget for tour (LKR.)	211,759.85
Allocated % for agro-tourism	26.33%
Allocated % for organic product	21.42%
Expected first year tourist arrival	2500
Amount distribute through community (LKR.)	29,857,535.33

Descriptive Statistics

The sample consists of 53 respondents total out of that Tour origin, were from UK 39.6%, USA 15.1%, France 3%, German 5%, Australia 3% and other category 24.5%. Significant promotion factor was internet site 34%, advice from travel agent 17% and tourist brochure, articles magazines, tourist information centre was less than 10%. They came to Sri Lanka 83% as a family, 11.3% as an individual and 5.7% with friends. Most of the tourist (71.2 %) came to Sri Lanka, for leisure.

Interest on Agro-Tourism by Foreign Tourist

Foreign tourist survey only 22.6% knew about the agro-tourism and out of that 11.3% had previous experience. Only 3.8% knew about agro-tourism facility in Sri Lanka, from tour operators and tour guide. Out of their total travel budget highest frequency of willingness to pay for agro-tourism was 30%, followed by 20%. Maximum amount was recorded in US \$ 40/= and mean value was 26.33 means tourist would like to allocate approximately one forth of their budgets for the agro-tourism facility.

Willingness to pay per was ranged from US \$20-\$80. Mean value was US \$36.6 and many of the respondent willing to pay between US \$30 and US \$40. With regards to accommodation type, cottage level preference was 45.3%, star hotel 20.8% and home stay 9.4%. Almost half of the foreigners (56.6%) were preferred organic product.

Relationship with Willingness to Pay

Age, familiarity to agro-tourism, previous experience, and education level had a positive correlation. All above four variables were significant then run for multiple regression models but none of variable was significant but R^2 was 65.1%. Stepwise regression, shown only previous experience (E), and education level (EL) was significant but R^2 was 36.90%. However coefficient parameter was not significant 0.05 significant levels.

Proposed regression equation is as follows.

$$WTP = 11.051 + 8.245 E + 15.339 EP \quad (\text{Equation: 1})$$

Results of the Estimation of Multinomial Logit Model

The table 3 shows the estimates of a given attribute in the design. To identify the Marginal utility for other levels in the experimental design, coefficients for the each attribute level redundant in the analysis were calculated using the coding system. Parameter estimate for a given redundant level was assumed to be equal to the negative sum of coefficient of the other levels.

Table 3

Estimates of the multinomial logit model

Attribute	Level	Coefficient	SE	P value
No of days	3,4	0.3497192	0.281	0.213
	>4	-1.268225	0.4083	.002*
WTP (\$)	20-50	1.394398	0.2619	.000*
	>50	-0.8116081	0.3752	.031*
Accommodation	Cottage level	0.8708337	0.2378	.000*
	Home stay	-0.8536488	0.3303	.010*

* Significant at $\alpha = 0.05$

According to the Table 3, it could state, that five levels of the attributes have been significant under the level of significance of 0.05. Attribute of no of days, level of only more than four days are significant. The level; willingness to pay and accommodation types too show significance.

Relative Importance of the Attributes

According to the table 4, relative important attribute is days willing to accommodate. It shows 38.22 % relative significance while accommodation type shows 31.24 % significance and it falls into second place. WTP, 30.53 % relative importance and show least importance, but close to the second highest. Below graph illustrates when people decide for the tourism facility highly focus on the time period willing to stay than price or type of accommodation.

Table 4

Relative importance of the attributes

Attribute	Relative importance %
No of days willing to stay	38.22
WTP (US \$)	30.53
accommodation type	31.24

Identifying Most Recommended Package from Possible Options

One to two days accommodation in star hotel and willing to pay US \$20-\$50 was the most recommended package. Second best is one to two days accommodation in cottage level and willing to pay US \$20-\$50. Third option is accommodate in star hotel category and willing to pay up to US \$20. Forth option is one to two days accommodate in cottage level and willing to pay up to US \$20.

05. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

As per the result and discussions the following can be described. Based on the potential index, the proposed destination falls to the “High potential zone category” but marginally. Stakeholders analysis implies that lot of marketing promotions have to be developed, in local as well as international level, for agro-tourism development in Sri Lanka. There are significant correlations between willingness to pay for the facility with age, agro-tourism familiarity, experience and education level. Based on the regression analysis can be concluded, willingness to pay has a positive significant relationship with education and experience on agro-tourism. Based on the choice model most relative important factor is number of days, planned to accommodate. Most prefers two packages are one to two days accommodation in star hotel and willing to pay US \$20-\$50. Second best is identified

between one to two days accommodation in cottage level and willing to pay US \$20-\$50, both coefficients remaining more or less same.

Factors Determining the Successfulness of Agro-Tourism Development

Development of other type of tourism activities effectively connecting other related sites is critically important for agro-tourism development in Sri Lanka. Current tourist allocation can made to promote agro-tourism thus the efforts will benefit. Develop communication strategies should address the target tourist market in order to develop positive attitude and create perception. Transportation should be develop to secure comfortable traveling as well as give the traditional type of traveling in the village such as bull carts. Sri Lanka has diversified varieties of tourist attraction in flora such that major producer of fruit, spices, medicinal and aromatic plant allowed under horticulture in Sri Lankan potentials can be utilized to improve agro tourism. Sri Lanka has diverse agro-climatic conditions, diverse crops, mountains, which provide scope for promotion of all season, multi-location agro-tourism. Some of the popular folk dances in rural Sri Lanka are the religious folk dances and culture of Sri Lanka is very glorious with a great variety. It gives a unique identity to the rural Sri Lanka thus to attract agro-tourism. Since it has experienced a gradual shift from urban tourism to rural tourism high potentially is available for agro-tourism. After end of the war which had been prevailing for 30 years, Sri Lanka had been identifies as one of the safety tourist destination thus promotions should attract tourist for agro-tourism.

Policy Implications and Strategies to Agro-Tourism Development

Sri Lanka has a great potential to the development of agro-tourism, because of natural conditions and different types of agricultural products as well as variety of rural traditions, festivals. More than twenty one percent of population live in the urban areas and they want enjoy rural life and to know about the rural life. It is a good opportunity to develop an agro-tourism business in Sri Lanka. But there are gaps of low awareness about this business in the farmer and problem of the finance and proper view in the farmers of the Sri Lanka.

Required is integration of policies of all relevant agencies to be mutually supportive of sustainability and of agro-tourism, since the policy framework has a potential to create environmental benefit and to mitigate environmental deterioration. Relevant areas for tourism include natural resource management, protected area management, transport and land use planning, public health and safety, and conservation and environmental protection.

Fulfillment of this task regulatory, incentive, education and voluntary like range of tools can be used. National level land policy reforms also be a critical tool, when expand the agriculture from subsistence level to fully mechanized level.

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KEY FACTORS OF WEDDING TOURISM IN BANGKOK, THAILAND

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Abstract

Wedding tourism is the activity or experience when new couples leave the place they usually reside in and go to destinations for their wedding ceremony. Wedding tourism is a rather new trend of tourism in Thailand. Therefore, investigating this sector is meaningful for both academic and commercial purposes. This study explores the key factors of wedding tourism in Bangkok, Thailand to attract couples (couples-to-be) to choose Thailand as their wedding destination by using purposive sampling. This study also focuses on the socio-demographic factors of couples (couples-to-be): nationality, religion, budget, and also investigates the relationship between those socio-demographic factors and the choice of key factors. Eighty-five questionnaires were distributed from November 2012 to January 2013, of which sixty completed usable questionnaires were returned, giving a 70.6% response rate. One way ANOVA was utilized to test hypotheses testing. The result shows that couples visiting Thailand for holding one of the critical moments of their lives are mainly attracted and satisfied by cost of organizing the wedding event, plus budget that can cover flight journey and accommodation, scenic locations, safe to organize wedding, wedding packages, beach, atmosphere, warm and comfortable climate, beautician/make-up/hairstyle services and a marriage ceremony which suits their religious inclination. Furthermore, some key factors can influence by the socio-demographic factors of couples. In light of the findings this study proposes that for an international wedding tourism destination such as Thailand, it is of great importance to set a reasonable and affordable price, to provide solitude and a romantic environment, and to improve the quality of wedding related factors, especially the process of marriage registration.

Keywords: *Wedding tourism, region, budget, key factors*

01. INTRODUCTION

A wedding is one of the most significant events in a person's life. It is not only for people who want to share their lives together for the first time but it can also be a celebration of the renewal of vows and anniversaries (Krishnan, 2008).

Globalization and the rapid increase of the global economy have led to new trends in marriage and wedding ceremonies. With the extension of leisure time and changing views, more and more people, especially young couples on the middle and upper social class levels of a society, see wedding tourism as the most popular and romantic fashion and also a way to show their status of society and economy.

The Kingdom of Thailand is seen as the most popular and traditional tourism destination in Southeast Asia and even in the whole world, because of its marvelous culture, history, warm climate and beautiful landscape. As one of the world's top honeymoon destinations, now Thailand offers an increasing variety of wedding ceremony that can be chosen by couples according to their different lifestyle, such as themed festival weddings, beach-side or mountain-top weddings, traditional Thai weddings, cultural weddings, and so on. Besides the actual ceremony, other elements for making a perfect wedding experience are provided, which include preparing aspects for the ceremony, rings, the bride's dress and groom's suit, hotel accommodation for guests, food, photographer, live band, wedding planner, flower and music arrangement. After the wedding, a honeymoon can be arranged for couples and at the same time, guests can take a trip and enjoy their holiday conveniently.

Nowadays, wedding tourism forms a part of event tourism and it has become one of the hottest trends for the Thailand tourism industry. By using the slogan "Amazing Thailand", TAT and travel operators have developed attractive wedding and honeymoon packages for international tourists. The seven cities Bangkok, Chiang Rai, Samui, Hua Hin, Krabi, Phuket, and Chiang Mai are promoted as top wedding destinations by the Thai government and TAT. Apart from different wedding locations, there are also different styles of wedding packages to satisfy different demands of tourists: Thai traditional wedding ceremony, Buddhist wedding ceremony, church wedding and the western style civil wedding ceremony (beach wedding).

India is seen as one of the main markets for Thailand wedding tourism for the last three years. More and more Indian newlyweds choose Phuket or Bangkok as the venue for their wedding ceremony, followed by Pattaya. Apart from the current main market mentioned above, Japan, Korea, the UAE, France and the United States are becoming five major weddings and honeymoon markets for Thailand's tourism industry (TAT, 2011) Singapore and Hong Kong

are the potential markets.

02. LITERATURE REVIEW

The research of Jamieson (2004) focuses on tourists who had their wedding ceremony or honeymoon in Cook Island. The result shows that in some respect, wedding tourists participate in the same activities with other tourists, but they have a more intense personal agenda. This study also investigates the pull factors of Cook Island as a tourism destination that attracts couples-to-be, and the finding shows that beach (landscape) was the most important selling point, followed by consistently good weather and available accommodation. There were also some wedding tourists interested in culture and customs of the island. At the same time, remote (being alone) and possession (claiming ownership) during stay were also two important pull factors.

The study by Kim & Agrusa (2004) defined a pool of initial attributes which had a potential to impact the demands of consumers by comparing the relative positioning of five popular overseas honeymoon destinations for Korean tourists: Australia, Europe, Hawaii, China, Guam, Thailand, and Japan. The pull factors included good scenery, a comfortable and romantic place, safety and security, a good place for shopping, tourism cost, a good climate, and historical and cultural resources. The result of this study indicates that when couples choose the destination for their once-in-a-lifetime experience, tourism cost is not a highly regarded attribute. Hawaii and Australia were ranked as the ideal honeymoon destinations for the Korean market. For the former, good scenery, a romantic place, a comfortable place and good weather are the main attractive factors, while for the latter, the reason is outdoor activities. This study also finds that the destinations with natural resources are more attractive than those with cultural and historic resources.

The research of Witt & Com (2006) investigates key factor of tourism on a different angle. It explores the key factor for managing successful wedding tourism. This study indicates that events are influenced by both external factors (such as economy, socio-culture, technology, competitor and political and legal environment) and internal factors (include marketing, human resource, finance and facility). It found that the most important aspects in managing wedding tourism are services, unique products and business ethics.

Krishnan (2008) explores the factors which are likely to influence couples-to-be's choice for themed wedding packages. People are willing to show their culture, social status and personalities in their wedding. A wedding is not only the couples-to-be's but also guests'

experience. The result found that when purchasing a themed wedding package, couples are motivated by cost to a certain degree, but it is not the most significant purchasing motivation. Others, such as recommended from family and friends, advertising and the media wedding operators used for advertisement and some personal factors of couples-to-be, might have a deeper influence on their purchasing behavior.

Major, McLeay & Waine (2010) explored the role and relevance of marketing within the destination weddings sector by analyzing a case study of Perfect Weddings Abroad Ltd in the United Kingdom. The result shows that couples who hold abroad weddings usually have more extensive needs than those who hold domestic weddings. Additionally, selecting an international wedding destination, product and service is a process of high-involvement decision-making. The factors which influence tourists' purchase behavior can also influence a couples' choice of wedding destination. This study also identifies eleven key drivers of wedding abroad sectors, and lower cost is one of the reasons behind the growth of the married abroad market.

It can be concluded that wedding tourism as part of event tourism needs to satisfy personal demands of tourists, such as an attractive landscape and scenery, nice climate, remote atmosphere, lower cost, safety and security. On the one hand, these studies also discuss that wedding tourism has similar attractive features with other tourism aspects, such as a natural environment with good scenery, safety, romance, culture etc. However, consumers for wedding tourism pay more attention to the quality of service and facilities, than costs. Additionally, the findings further show that demographic factors also impact couples-to-be's purchasing behavior. These demographic factors include socio-culture, income, lifestyle, family and friends, education background and even travel experience.

Jamieson's (2004) study gets similar findings when compared to Kim & Agrusa's (2004) study, as both of them find that climate, romantic atmosphere/place and scenery/landscape are the main factors to attract and satisfy couples. Furthermore, in the findings of Kim & Agrusa (2004), cost is also a key pull factor of wedding tourism to attract tourists. The same result can also be found in both of Krishnan's (2008) study and Major, McLeay & Waine's (2010) study, where the latter finds that lower cost is one of the reasons behind the growth of the married abroad market. Witt & Com (2006) find that providing unique products and high quality of service is one of the most important factors to attract couples.

For the demographic factors of couples, Kim and Agrusa's (2004) study finds socio-demographic factors of tourists had effect on their choice of key factor. Krishnan (2008) also gets a similar finding to support this, His study argues that lifestyle of couples influences their purchase behavior.

Based on the findings about empirical references, it can be concluded that physical environment, cost, wedding related product and service, safety and security can be the five dimensions of key factor of wedding tourism in Thailand. Meanwhile, socio-demographic factors influence tourists' choice of key factor.

03. METHOD

This research surveys the key factor of wedding tourism in Thailand (physical environment, accommodation, transportation, basic wedding products and services, costs, safety and security). The target population is international tourists who traveled to Thailand for celebrating their wedding ceremony. This research studies tourists based on their demographic factors, which include region, religion and budget.

As the number of wedding tourists is hard to be estimated, this research uses non-probability sampling. Non-probability sampling is a sampling technology in which units of the sample are selected on the basis of personal judgement or convenience (Zikmund, 2003). In a related study the sampling size has been relatively small. 23 couples have been chosen as the sample in Gottman and Krokoff's study (1989) about honeymooners, and 60 in Yin's research (2007) about perception of honeymoon tourists in Thailand. So this research collected data from 60 couples.

A self-administered questionnaire is utilized as a tool to collect primary data as it facilitates gaining more structured responses individually in a concise manner along with further statistical treatment of the data effectively, which is designed for collecting the information on experience and view of couples toward the key factor of Thailand as a wedding tourism destination. This questionnaire includes two parts:

Part 1: Demographic characteristic of couples-to-be: This part of the questionnaire includes demographic information of the respondents: region, religion and budget of the wedding. In this section, three questions are asked.

Part 2: Key factor of wedding tourism in Thailand: This part of the questionnaire consisted of 30 questions on the respondents' views toward key factor of Thailand as a wedding tourism destination. Respondents rated on a Five-Point Likert scale of agreement which ranges from five to one: 5= strongly agree, 4=agree, 3= neither agree nor disagree, 2= disagree and 1= strongly disagree.

This research selected the couples who had their wedding in Thailand. The questionnaire is designed in English and was planned to be provided to the samples in airports, hotels and resorts and if needed via E-mail, accompanied by a cover letter to explain the purpose of this research to make them understand this questionnaire.

A purposive sampling method is used and the sample procedure of the research follows these stages:

1. In the first stage, the researcher distributed 15 questionnaires for pretesting to couples who held their wedding in Bangkok, Thailand.

2. In the second stage, as the existing target customers are the couples who plan to marry in Thailand, it was a challenging task to find required sample. It is understandable that not many people get marry in a day. Therefore, the researcher turned to snowball approach to select the couples.

Statistical Package for the Social Science (SPSS) is used to process the result of the questionnaires. This research will use descriptive statistics to describe the basic features of the data, and provide brief summaries of the sample and the measures. In this research, the researcher will use descriptive statistics to describe the demographic characteristics of respondents including region, religion and wedding budget.

One-way analysis of variance is used to examine more than two means at a time. This research applies ANOVA to test the significant relationship between independent variables about key factor of Thailand as a wedding destination, and dependent variables about each item of demographic characteristics of couples-to-be. P value of 0.05 or less was used as the criterion to determine the significance of observed differences.

04. RESULTS AND DISCUSSION

The result shows that there are more tourists from South Asia (28.3%) than tourists from other areas who have held their wedding in Thailand. 11 respondents (18.3 %) are from East Asia, 11 respondents (18.3%) are from South-east Asia. 9 respondents (15.0%) are from Europe, 4 respondents (10%) are from South Asia, 9 respondents (22.5%) are from Europe, 7 respondents (11.7%) are from America, 2 respondents (3.3%) are from the Middle-East and 3 respondents (5%) are from Australia and New Zealand. It is noticeable that the number of Asian tourists (39 respondents) is the largest, accounting for 64.9% of the respondents in this study

Table 1 Region of Respondents

Region

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid East Asia	11	18.3	18.3	18.3
South-east Asia	11	18.3	18.3	36.7
South Asia	17	28.3	28.3	65.0
Europe	9	15.0	15.0	80.0
America	7	11.7	11.7	91.7
Middle East	2	3.3	3.3	95.0
Australia/New Zealand	3	5.0	5.0	100.0
Total	60	100.0	100.0	

Table 2 below shows that out of 60 respondents in this research, 6 respondents (10%) are Buddhist, 45 respondents (75%) are Christian, 1 respondent (1.7%) is Muslim, 1 (1.7%) is Hindu, 4 respondents (6.7%) are Sikh, 3 respondents (5%) are non-religious. 75% respondents of this research are Christian, this phenomenon probably because Christian ceremony is solomonized in more simplified manner than other religions.

Table 2 Religion of Respondents

Religion

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Buddhist	6	10.0	10.0	10.0
	Christian	45	75.0	75.0	85.0
	Muslim	1	1.7	1.7	86.7
	Hindu	1	1.7	1.7	88.3
	Sikh	4	6.7	6.7	95.0
	No Religion	3	5.0	5.0	100.0
	Total	60	100.0	100.0	

It can be seen from Table 3 that, related to the budget for wedding tourism (without cost for flight tickets and guests accommodations) among the respondents in this study, nearly half of the respondents spent a basic budget between USD5,500/THB17,000 to USD9,000/THB28,000 (41.7%) followed by those whose wedding budgets were more than USD15,001/THB46,001 on their weddings (30%), and those who held the wedding by spending between USD12,001/THB37,001 to USD15,000/THB46,000 (25%), while the least number is those whose budgets were between USD9,001/THB28,001 to USD12,000/THB37,000 (3.3%).

Table 3 Budget for wedding

Budget

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
Valid	Basic (USD5,500/THB17,000-USD9,000/THB28,000)	25	41.7	41.7	41.7
	Economy (USD9,001/THB28,001-USD12,000/THB37,000)	2	3.3	3.3	45.0
	Premium(USD12,001/THB37,001-USD15,000/THB46,000)	15	25.0	25.0	70.0
	Luxury(USD15,001/THB46,001and above)	18	30.0	30.0	100.0
	Total	60	100.0	100.0	

Based on the hypothesis testing result by using One-way ANOVA to explore the differences in key factor of wedding tourism destination among seven region groups, and the significant value of twelve items is less than 0.05. Therefore, the null hypothesis of these twelve items is rejected. They are “Atmosphere is remote and romantic” ($p = 0.001$); “Unlimited number of guests can be invited for wedding” ($p = 0.019$); “The special transportation for bride and groom to ceremony and reception is available” ($p = 0.000$); “Bride’s dress/gown can be made to order/or easily bought at a short notice”(p = 0.000); “Variety of rings and jewelry can be bought from jewelry stores at a reasonable price” ($p = 0.035$); “Flower/garlands/decoration/arrangement is available” ($p = 0.000$); “Music/DJ and wedding bands facility is available” ($p = 0.011$); “Food and caterers can be arranged on demand for matrimonial celebration” ($p = 0.000$); “Wedding cakes can be arranged on demand” ($p = 0.09$); “Exotic honeymoon escapes are available” ($p = 0.000$); “It is quite safe and secure to celebrate a wedding in Thailand” ($p = 0.006$); “It is not challenging to register marriage with

relevant embassy in Thailand” ($p = 0.001$); “Arranging an official(district office)to attend marriage is easy” ($p = 0.009$); and “It is not time consuming to sort out legal documentation prior to marriage” ($p = 0.030$). Therefore, it can be concluded that there are significant differences existing between nationalities of couples with regard to these twelve pull factors mentioned above.

For comparative differences in religion of couples and the key factor of wedding tourism destination, 10 items “Landscape and scenery are beautiful and attractive” ($p = 0.011$); “Climate here is warm and nice” ($p = 0.011$); “Unlimited number of guests can be invited for wedding” ($p = 0.047$); “Accommodation for out of town guests can be arranged without hassle” ($p = 0.000$); “Variety of rings and jewelry can be bought from jewelry stores at a reasonable price” ($p = 0.000$); “Music/DJ and wedding bands facility is available” ($p = 0.022$); “Overall budget to hold marriage is an affordable experience” ($p = 0.006$); “It is quite safe and secure to celebrate wedding in Thailand” ($p = 0.034$); “Arranging an official (district office) to attend marriage is easy” ($p = 0.018$) and “It is not time consuming to sort out legal documentation prior to marriage” ($p = 0.046$) with significant value less than 0.05. Therefore, the null hypothesis can be rejected for these 10 items, which means that the differences in these 10 pull factors with regard to religion of couples are significant.

For comparative differences in budget of couples and the key factors of wedding tourism destination, fourteen items are rejected. They are “Climate here is warm and nice” ($p = 0.002$); “Unlimited number of guests” ($p = 0.000$); “The special transportation for bride and groom to ceremony and reception is available” ($p = 0.000$); “Bride's dress/gown can be made to order/or easily bought at a short notice” ($p = 0.000$); “Variety of rings and jewelry can be bought from jewelry stores at a reasonable price” ($p = 0.001$); “Flower garlands/decoration/arrangement is available” ($p = 0.000$); “Music/DJ and wedding bands facility is available” ($p = 0.000$); “Food and caterers can be arranged on demand for matrimonial celebration” ($p = 0.000$); “Wedding cake can be arranged on demand” ($p = 0.005$); “Language is not a barrier for “tying the knot” in Thailand” ($p = 0.030$); “Overall budget to hold marriage is affordable experience” ($p = 0.000$); “Exotic honeymoon escapes are available” ($p = 0.000$); “It is quite safe and secure to celebrate wedding in Thailand” ($p = 0.000$); “It is not challenging to register marriage with relevant embassy in Thailand” ($p = 0.000$). This means that the differences in these fourteen key factors mentioned above with regard to budget are significant.

05.CONCLUSION

This study has identified the key factor of wedding tourism in Thailand and how these key factors are related to new couples' socio-demographic characteristics. The research revealed similar findings with literature reviewed in Chapter two. Beautiful landscape and scenery, romantic atmosphere, cost are the most attractive factors for foreign couples. It was also revealed that different regions, religions and budgets to different feelings toward key factor of wedding tourism in Thailand, which is the same with the findings of literature review. There is still space to extend the study to include other aspects such as couples' behavior, satisfaction of wedding related products and services. On the other hand, future researchers also can enlarge the sample size to get more comprehensive results. It will be interesting to conduct a qualitative research to have a broader reflection of international visitors' intentions to have wedding experience in Thailand.

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FACTORS MOTIVATING CHINESE TOURISTS TO CHOOSE THAILAND AS A DESTINATION FOR RELIGIOUS TOURISM

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Abstract

This research focuses on the study of factors motivating Chinese tourists to choose Thailand as a religious tourist destination. The demographic elements consist of religion, region, gender, age, education level and occupation. Tourists are investigated in both push factors and pull factors, those factors such as relaxation, desire to learn, faith, word of mouth, media, temple, amenities, cultural difference, religious activities, tourism product which become factors that motivate Chinese tourists to choose Thailand as a religious destination. For this study, the researcher used convenience sampling method and the sample size is 200. The Sampling focused on the Chinese tourists who had religious reasons to visit 5 famous temples in Bangkok. The questionnaire was distributed during July 2012. The result of frequency analysis shows that most of the Chinese tourists don't have clear religious reasons to visit the religious sites (55.8%). They are from North of China (29.6%) and the number of female (53.3%) is slightly higher than male. The major group of Chinese tourists is between 19-30 years old (53.36%), they hold a Bachelor's degree (62.5%) and work as employees in companies (51.2%). For hypothesis test, the research used both independent t-test and ANOVA. The results of P value indicate that there are significant differences in push factors motivating Chinese tourists to choose Thailand as religious destination regarding gender and education. Also there are significant differences in pull factors motivating Chinese tourists to choose Thailand as religious destination regarding religion and gender. Women prefer to have good amenities, arts, shopping and take photos; men like to learn Thai culture, Buddhism and religious activities. Different education level and different occupations cause Chinese tourists to have different needs for religious tourism. A Chinese tourist comes and visit Thai temples because of those both Pull and push motivating factors. For future, if the tourism sector could investigate and get good use of tourists' needs and make plan to promote religious tourism in Thailand, it will benefit both Thai government and locals.

Keywords: Religious tourism, Motivating factors, Push and Pull factors.

01. INTRODUCTION

The Tourism Authority of Thailand (TAT) has recognized that and would like to develop three main religious products of visiting temples, meditation and religious tourism routes (Tourism Authority of Thailand 2009).

Thailand's official religion is Buddhism. It has a long history, many visitors come to Thailand to visit Buddhist temples. Each temple contains one or more Buddha images. They are built in the form of statues and revered as a depiction of the Lord Buddha. These images are built in many different styles, and are made from a variety of materials, such as concrete, bronze, gold, sandstone and wood (Tourism Authority of Thailand 2009).

Temples are also the centre of learning Buddhist knowledge. Buddhist monks teach reading and writing, the ancient art of traditional herbal healing and Thai massage. Thai art and culture are important parts of Thai traditional festivals, performances and paintings. Visitors also would like to revisit the temple for religious instruction and much *sanuk*. The temple is the place to meet new friends and renew old friends (Tourism Authority of Thailand 2009).

Meditation is more and more popular in Thailand now, many foreign visitors perform the meditation. They come from different countries including the US, Europe and the nearby region. Reasons for the high growth of meditation in Thailand are discussed below.

Meditation programs for tourists are available at some of temples. Buddhamonthon is one of Thailand's most revered religious sites. It offers vipassana (insight meditation) training the first weekend of each month. Vipassana targeting foreign followers is also conducted at Wat Suan Mokkh in Surat Thani, which houses the International Dhamma Hermitage. In Chiangmai province of Thailand, there are many young monks learning the monk chant program in English at the Maha Chulalongkornrajavidyalaya Buddhist University. Other temples, such as Wat Srisuphan, offer a two-hour meditation 'taster' instruction for beginners (Wandering Dhamma 2009).

Religious Festival is the important part of religious tourism in Thailand. Songkran and Loy Krathong festivals are now major highlight of tourism promotion in Thailand. In Sukhothai, the event includes the 'Dawn of Happiness Ceremony', 'King Ramkamhaeng Brahman Ceremony' and a Royal Given Lamp and Krathong process parade. The candle festival in Ubon Ratchathani is the start of Buddhist Lent Day. Tak province hosts 'Tad Bat Deve' festival to celebrate the return of Buddha from Heaven to earth.

Many Chinese tourists choose Thailand as a religious destination to visit Thai temples. They know Thailand is a Buddhism country and has their traditional Buddhism culture. They want to visit Buddhism temples, familiarize with Buddhism knowledge and experience. They also believe that the visit to Thai temples and pay tribute to Buddha will bring them peace and good fortune.

Religious tourism of the type that includes New Age Tourism, is therefore, a means of thinking sensitively about (core) human values regarding what is sacrosanct in nature and culture and (core) religious beliefs that emphasize brotherhood and peace. (Singh, 2004)

02. RESEARCH FRAMEWORK

In this research, internal factors come from tourists' side, such as personality, life style, social status etc. On the other hand, there are important external factors such as destination image, food, accommodation, transportation, which can directly affect the tourists' decision.

Internal factors and external factors have strong relationship, because destination features should meet tourists' needs. Otherwise, they don't come. Therefore, pull and push theories are used in the research.

The following figure shows the conceptual framework modified from the fundamental model to be used in this research.

Table 1 Conceptual Framework of Demographic Characteristics Influencing Push and Pull Factors

Independent variable	Dependent variable	
Demographic Characteristics	Push and pull factors	
1 Religion	Push factors	Pull factors
2 Regions in China	1 Relaxation	1 Temple
3 Genders	2 Desire to learn	2 Amenities
4 Age	3 Faith differences	3 Cultural
5 Education	4 Word of mouth	4 Religious activity

03. RESEARCH METHODOLOGY

Descriptive research is adopted in this research and survey technique is used. Questionnaire was distributed in 200 Chinese visitors who visited the main temples where Chinese tourists frequently visited in Bangkok. Data collected was analyzed specifically with statistical method.

In this study, the type of study is problem solving research. The minimum sample size is 200. The researcher selects 5 temples that Chinese tourists frequently visit, samples are randomly selected. Each temple was fixed with 40 samples to make equal probability to investigate as common, totally sample size is 200. Five temples were chosen by talking to staff of Chinese Tourist Company according to their tourism package and survey in temple measured by the largest population of Chinese tourists visit. Due to the time and resource limited, convenience sampling was used in this research.

SAMPLING PROCEDURES

The target population of the research is the Chinese tourists who visited temples the Chinese tourists frequently visit in Bangkok during the month of July 2012.

The Chinese tourists are from Mainland of China, Hong Kong, Macau and Taiwan. Most of them came here with tour guides on one or 2-day package tours. Respondents were chosen by observation, based on their clothes, language and behaviour.

04. DATA ANALYSIS

The independent T-test is a statistical tool that tests the statistical hypothesis followed by study's distribution. Normally, it makes a comparison of two variables with their conventional control and experimental control.

ANOVA is used to determine whether there are significant differences in the means of two or more variables. The one-way ANOVA tests the significance of two or more than two variables by comparison of their means. The F-distribution is used to determine whether the variability of two samples differs significantly (Zikmund, 2003).

The Tukey's Honestly Significant Different test (HSD) is used in this study. The HSD test belongs to post hoc analysis and used with both unequal samples size and equal samples size. The critical value for HSD test is the differentiation between variances and finds critical value for the one-way ANOVA.

05. RESULTS AND DISCUSSIONS

For the present study, the important reasons for Chinese tourist Choose Thailand as a religious destination are relaxation, desire to learn, faith, word of mouth, temples and cultural differences. The less important reasons are media, amenities, religious activities and tourism product. It is important to promote religious tourism by focusing the strongly motivated factors that influence the tourists' trip decision making.

Concerning on the objective of this study, objective 1 is about the differences in demographic factors that motivate Chinese tourist to visit temples in Bangkok. The result tells that most religious tourists from North of China, age around 19-30 years old, education level is bachelor's degree and work in private enterprises.

Objective 2 is about the push motivating factors from tourists. The most important Push motivating factors for Chinese tourists are relaxation, desire to learn, and word of mouth.

The result tells that most the Chinese tourists strongly believe that life in China are stressful and they would like to travel abroad to learn new knowledge and experience. Most of them feel that religious tourism might reduce their stress and would improve their spiritual development to lead their lives toward a positive way. The result also tells that most of the Chinese tourists strongly believe in WOM from relatives and friends. Most of them feel that information from media might influence them to make decision as a trip. Armstrong (1996) added that tourists generally have limited knowledge about a destination choice that they have not previously visited. Hence, their destination choice often depends upon symbolic information acquired either from the media or from social groups.

Objective 3 is about pull motivating factors from destination. The most important Push motivating for Chinese tourists are temple and culture differences.

The result tells that most of the Chinese tourists strongly believe that Thai temples are beautiful, Thai painting and Thai music are special and Thai people are friendly. There are the best points in building destination image. Most of them think temples stay, vegetarian food, transportation, souvenir and religious activities are good, which refer to the middle level of motivating factors.

There are differences in the pull factors motivating Chinese tourists to choose Thailand as their religious destination based on gender. Women prefer good amenities,

beautiful architecture, taking photo and shopping. Men prefer to get new knowledge and experience from religious trip; they are interested in the introducing scenic spots and activities such as candles lighting.

There are differences in the pull factors motivating Chinese tourists to choose Thailand as their religious destination based on religion. Different religions have different motivating factors when they take a religious trip. For example, the Buddhists are strongly motivated by Thai temples and would like to take religious activities more than the Muslims and other religions. Chinese Muslims have less feeling to buy tourism product than Buddhist and other religions. Tourists of different religions have different pull motivating factors, it is important to differentiate them and provide proper service.

06. RECOMMENDATIONS

Religious activities should be simple and make them feel and touch every aspect of Thai culture. Most of the Chinese tourists don't pay much attention and shy to join religious activities, so it is very important to make them feel the religious tour interesting and fun by making the visiting time short with different style of activities.

Tourist agents, accommodation, food and transportation should be simple and appropriate, so they won't be shocked or make a fuss about them. Meanwhile, tour guides are the most important factors for them to make them feel that their religious trips are interesting, knowledgeable, and worthwhile. Otherwise, they will have negative feelings on this kind of tour.

For TAT, this is a good opportunity to promote religious tourism in Thailand to foreign people, especially Chinese group tourists. Some religious route should be developed for Chinese tourists and cooperation with tourist agents should be made to make them in the package. Media is important to introduce the religious destination and promotion to let Chinese tourists know religious tourist in Thailand.

APPENDIX

Reliability Statistics

Cronbach's Alpha	N of Items
.899	35

Frequencies

Statistics

		Religion	Region	Age	Gender	Education	Occupation
N	Valid	199	200	200	198	199	199
	Missing	1	0	0	2	1	1
Mean		1.268	2.342	3.233	4.154	5.270	6.285
Minimum		1.1	2.1	3.1	4.1	5.1	6.1
Maximum		1.4	2.7	3.4	4.2	5.4	6.7

Frequency Table

Religion

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Buddhism	84	42.0	42.2	42.2
	Christian	4	2.0	2.0	44.2
	Islam	3	1.5	1.5	45.7
	Others	108	54.0	54.3	100.0
	Total	199	99.5	100.0	

Missing	System	1	.5		
Total		200	100.0		

Region

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	North	55	27.5	27.5	27.5
	Northeast	27	13.5	13.5	41.0
	East	24	12.0	12.0	53.0
	Middle	25	12.5	12.5	65.5
	South	28	14.0	14.0	79.5
	Southwest	25	12.5	12.5	92.0
	Northwest	16	8.0	8.0	100.0
	Total	200	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 18	12	6.0	6.0	6.0
	19-30	119	59.5	59.5	65.5
	31-49	60	30.0	30.0	95.5

Older than 50	9	4.5	4.5	100.0
Total	200	100.0	100.0	

Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	91	45.5	46.0	46.0
female	107	53.5	54.0	100.0
Total	198	99.0	100.0	
Missing System	2	1.0		
Total	200	100.0		

Education

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid High school or below	29	14.5	14.6	14.6
College	25	12.5	12.6	27.1
Bachelor	121	60.5	60.8	87.9
Master or high	24	12.0	12.1	100.0
Total	199	99.5	100.0	
Missing System	1	.5		

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school or below	29	14.5	14.6	14.6
	College	25	12.5	12.6	27.1
	Bachelor	121	60.5	60.8	87.9
	Master or high	24	12.0	12.1	100.0
	Total	199	99.5	100.0	
Missing	System	1	.5		
Total		200	100.0		

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Employees in private enterprise	101	50.5	50.8	50.8
	Student	23	11.5	11.6	62.3
	Entrepreneur	11	5.5	5.5	67.8
	Retired	12	6.0	6.0	73.9
	Government office	10	5.0	5.0	78.9
	Agriculturalist	4	2.0	2.0	80.9
	Other	38	19.0	19.1	100.0
	Total	199	99.5	100.0	

Missing	System	1	.5			
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Hypothesis test

H1 and H7

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Pullfactor	Between Groups	5.078	3	1.693	4.977	.002
	Within Groups	60.545	178	.340		
	Total	65.623	181			
Pushfactor	Between Groups	1.372	3	.457	2.485	.062
	Within Groups	33.692	183	.184		
	Total	35.064	186			

H2 and H8

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Pullfactor	Between Groups	3.704	6	.617	1.745	.113

	Within Groups	61.919	175	.354		
	Total	65.623	181			
Pushfactor	Between Groups	1.103	6	.184	.977	.442
	Within Groups	34.054	181	.188		
	Total	35.157	187			

H4 and H10

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Pullfactor	Between Groups	.587	3	.196	.535	.659
	Within Groups	65.036	178	.365		
	Total	65.623	181			
Pushfactor	Between Groups	.442	3	.147	.781	.506
	Within Groups	34.715	184	.189		
	Total	35.157	187			

H5 and H11

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Pullfactor	Between Groups	1.392	3	.464	1.286	.281
	Within Groups	64.231	178	.361		
	Total	65.623	181			
Pushfactor	Between Groups	1.760	3	.587	3.233	.024
	Within Groups	33.397	184	.182		
	Total	35.157	187			

H6 and H12

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Pullfactor	Between Groups	1.669	6	.278	.761	.601
	Within Groups	63.954	175	.365		
	Total	65.623	181			
Pushfactor	Between Groups	1.126	6	.188	.998	.428
	Within Groups	34.031	181	.188		
	Total	35.157	187			

H3 and H 9

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Pushfactor	male	87	3.4628	.38099	.04085
	female	100	3.6613	.45785	.04578
Pullfactor	male	83	3.3205	.61431	.06743
	female	98	3.5104	.58335	.05893

Post Hoc Tests (Religion to Pull factors)

Oneway

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Temples	Between Groups	7.294	3	2.431	4.816	.003
	Within Groups	91.367	181	.505		
	Total	98.661	184			
Amenities	Between Groups	2.321	3	.774	1.413	.241
	Within Groups	98.585	180	.548		
	Total	100.906	183			
Cultural differences	Between Groups	.805	3	.268	.662	.577
	Within Groups	74.592	184	.405		
	Total	75.397	187			

Religiousactivity	Between Groups	23.447	3	7.816	12.342	.000
	Within Groups	116.516	184	.633		
	Total	139.963	187			
Tourismproduct	Between Groups	6.278	3	2.093	2.754	.044
	Within Groups	139.793	184	.760		
	Total	146.071	187			

Post Hoc Tests

Multiple Comparisons

Tukey HSD

Dependent Variable (I) Religion (J) Religion			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Temples	Buddhism	Christian	.58333	.36402	.380	-.3606	1.5272
		Islam	1.33333*	.41782	.009	.2499	2.4168
		Others	.22449	.10705	.158	-.0531	.5021
	Christian	Buddhism	-.58333	.36402	.380	-1.5272	.3606
		Islam	.75000	.54264	.512	-.6571	2.1571
		Others	-.35884	.36242	.755	-1.2986	.5809
	Islam	Buddhism	-1.33333*	.41782	.009	-2.4168	-.2499
		Christian	-.75000	.54264	.512	-2.1571	.6571

	Others		-1.10884*	.41643	.042	-2.1887	-.0290
	Others	Buddhism	-.22449	.10705	.158	-.5021	.0531
		Christian	.35884	.36242	.755	-.5809	1.2986
		Islam	1.10884*	.41643	.042	.0290	2.1887
Amenities	Buddhism	Christian	-.28877	.37928	.872	-1.2723	.6948
		Islam	.56540	.43531	.565	-.5635	1.6943
		Others	.15639	.11190	.503	-.1338	.4466
	Christian	Buddhism	.28877	.37928	.872	-.6948	1.2723
		Islam	.85417	.56523	.433	-.6116	2.3199
		Others	.44515	.37751	.641	-.5338	1.4241
	Islam	Buddhism	-.56540	.43531	.565	-1.6943	.5635
		Christian	-.85417	.56523	.433	-2.3199	.6116
		Others	-.40901	.43377	.782	-1.5339	.7158
	Others	Buddhism	-.15639	.11190	.503	-.4466	.1338
		Christian	-.44515	.37751	.641	-1.4241	.5338
		Islam	.40901	.43377	.782	-.7158	1.5339
Cultural differences	Buddhism	Christian	.28165	.32631	.824	-.5644	1.1277
		Islam	.42053	.37452	.676	-.5505	1.3915
		Others	.00550	.09543	1.000	-.2419	.2529
	Christian	Buddhism	-.28165	.32631	.824	-1.1277	.5644
		Islam	.13889	.48629	.992	-1.1219	1.3997
		Others	-.27614	.32453	.830	-1.1176	.5653
	Islam	Buddhism	-.42053	.37452	.676	-1.3915	.5505

Religiousactivity		Christian	-.13889	.48629	.992	-1.3997	1.1219
		Others	-.41503	.37297	.682	-1.3820	.5519
	Others	Buddhism	-.00550	.09543	1.000	-.2529	.2419
		Christian	.27614	.32453	.830	-.5653	1.1176
		Islam	.41503	.37297	.682	-.5519	1.3820
	Buddhism	Christian	.96203	.40783	.089	-.0953	2.0194
		Islam	1.79536*	.46808	.001	.5818	3.0089
		Others	.59438*	.11926	.000	.2852	.9036
	Christian	Buddhism	-.96203	.40783	.089	-2.0194	.0953
		Islam	.83333	.60777	.519	-.7424	2.4091
		Others	-.36765	.40561	.801	-1.4193	.6840
Tourismproduct	Islam	Buddhism	-1.79536*	.46808	.001	-3.0089	-.5818
		Christian	-.83333	.60777	.519	-2.4091	.7424
		Others	-1.20098	.46614	.052	-2.4095	.0076
	Others	Buddhism	-.59438*	.11926	.000	-.9036	-.2852
		Christian	.36765	.40561	.801	-.6840	1.4193
		Islam	1.20098	.46614	.052	-.0076	2.4095
	Buddhism	Christian	.40506	.44671	.801	-.7531	1.5632
		Islam	1.40506*	.51270	.034	.0758	2.7343
		Others	.02271	.13063	.998	-.3160	.3614
	Christian	Buddhism	-.40506	.44671	.801	-1.5632	.7531
		Islam	1.00000	.66572	.438	-.7260	2.7260
		Others	-.38235	.44428	.825	-1.5342	.7695

	Islam	Buddhism	-1.40506*	.51270	.034	-2.7343	-.0758
		Christian	-1.00000	.66572	.438	-2.7260	.7260
		Others	-1.38235*	.51058	.037	-2.7061	-.0586
	Others	Buddhism	-.02271	.13063	.998	-.3614	.3160
		Christian	.38235	.44428	.825	-.7695	1.5342
		Islam	1.38235*	.51058	.037	.0586	2.7061

*. The mean difference is significant at the 0.05 level.

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TOURIST MOTIVATION TO VISIT A HERITAGE SITE: THE CASE OF “SIGIRIYA”

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Abstract

This study aims to examine the different motivational factors of tourist arrivals at the world cultural heritage site, Sigiriya. Although heritage tourism has recorded a significant growth in recent years, especially for Sri Lanka, little is known about the drivers of heritage tourism growth. A quantitative method, in the form of a structured questionnaire was used to collect data from 390 foreign tourists visited Sigiriya. The results revealed that the travel decisions of tourists from diverse nationalities were influenced by a number of push and pull factors of heritage tourism. Psychological factors and their decision to visit the site were influenced by their interest on gathering knowledge and education. 79% of the respondents revealed that learning about history and culture was very important. Of the respondents, 47% and 51% reported heritage and natural attractions as key pull factors that motivated their visit to Sigiriya. Cultural attractions and general destination attributes were also important. Furthermore, it was found that tourists have higher expectations and the pull factors are more prominent in influencing the overall tourist satisfaction level. Hence, the findings of the study provide important policy implications for destination planners and managers about the push and pull factors attracting tourists to Sigiriya.

Keywords: *Heritage Tourism, Push factors, Pull factors, Motivation, satisfaction*

01. INTRODUCTION

Tourist motivation to travel has been a significant study area that has drawn the attention of many researchers in the past (Gnoth, 1997; Dann, 1977 & Crompton, 1979;). Maslow's Hierarchy of Needs (1954) has been the basic framework for scholars conducting research in this area (Iso-Ahola, 1982; Gray, 1970). The theory highlights the need to fulfill the basic needs such as physiological, safety and security and other levels of needs in the hierarchy in an orderly manner. Pearce (1982), using a model on tourism motivation following Maslow's hierarchy, found that tourists were attracted to a certain destination considering the possibility of satisfying self actualization, belongings and followed by psychological needs. Empirical research on tourist motivation indicated that the motivation is based on the two key elements namely push and pull factors (Crompton, 1979; Uysal & Jurowski, 1994). Tourists tend to choose their travel choices due to forces of the "push" factors such as internal and psychological forces and pull factors such as attributes related to certain destination or a site. In other words, tourists are pulled by the destination attributes (Uysal & Jurowski, 1994; Dann, 1977). Socio-psychological factors one of the push factors such as relaxation, health and fitness, family togetherness, excitement; prestige, social interaction; self expression and development inspire a person to travel (Crompton, 1979). In addition, education, relaxation, pleasure of viewing, information, leisure, and exercise were highlighted as motives for visiting a heritage site (Prentice, 1993). Pull motivations are enthused by a destination's attractions, namely facilities, culture, entertainment activities and nature. (McGehee, LokerMurphy, & Uysal, 1996). Yuan & McDonald, (1990) identified seven pull factors namely, culture, ease of travel, wilderness, history, environment, facilities and budget. As a whole empirical research applies models involving push and pull motivation factors to analyze tourist motivation.

Thus, this paper attempts to examine motivation factors of international tourists to world heritage site Sigiriya in Sri Lanka. In this aspect, Sri Lanka is an interesting case study. Sri Lanka's travel and tourism strategy is targeted of attracting over 2.5 million international tourists to the island by 2016. Indeed the government targeted in placing Sri Lanka as the most treasured tourist's destination in the world (Sri Lanka Tourism Development Strategy, 2011). Hence, it is important for destination site managers to get insights of the significant importance of both push and pull factors that can help meet the desired needs of tourists from different target markets. As for strategy purpose, the study provides vital information on the key push and pulls factors that drives tourist into Sigiriya.

02. LITERATURE REVIEW

In marketing literature the concepts of product bundles is concerned with push and pull factors of motivations (Baloglu and Uysal (1996). This involves that travel decisions may correspond to expected benefits and values gained at the destination site. Thus, tourism marketers and destination managers should note that a successful tourism product is what that provide best bundle of needs to its market segment. Therefore, marketing efforts should match a destination's key attributes to the tourists with diverse psychological needs.

Dann (1977) categorized motivation factors as 'anomie' and 'ego-enhancement'. Anomie is referred as the desire to surpass the feeling of loneliness in day to day life and ego-enhancement derived as the need for recognition which is considered to be attained through the status bestowed by the travel (Fodness, 1994). Travellers choice of a holiday destination depends on, their intention to escape from a perceived ordinary environment, relaxation, status, regression, enrichment of kinship relationships, social relations, uniqueness, and education (Crompton 1979). Thus, tourism studies identify escape, novelty, social interaction, and prestige to be common push factors. Nevertheless, studies done on heritage tourism emphasize on two key elements namely, learning/education and entertainment as push factors of motivation (Moscardo ,1996; Jewell & Crofts, 2002).

Pull factors, also discussed as factors that influence when, where, and how people travel (Mill & Morrison, 1985). These factors are generally connected with characteristics, attractions, or attributes of a specific destination (Klenosky, 2002). As a result, in the tourism literature pull factors have been a popular subject of research. Past research studies address factors such as attractions, natural, cultural attractions, facilities as important factors that influence a destination choice (Fakeye & Crompton, 1991; Hu & Ritchie, 1993). However, influence of pull factors may differ from each visitor Klenosky (2002). Given the significance of the motivation factors in previous studies, (Dann, 1977; Fodness, 1994; Ryan & Glendon, 1998; Baloglu & Uysal, 1996; Crompton, 1979; Klenosky, 2002) Push and pull motives are seen as the main attributes upon which, the tourists tend to build their expectations, and it may differ from the true experience of the product based the information modes the visitor processes information on their intended tour (Baloglu and Brinberg, 1997; Gartner, 1993).

Generally, push motives and the pull motives develop tourist expectations. Yoon and Uysal (2005) emphasize that the impact tourist motivation and behavior research need understanding of visitor needs and wants but simultaneously enhancing visitor satisfaction is also essential as it leads to successful business. Tourist satisfaction and loyalty is represented by destination product motives (pull factors) and psychological understanding (push factors) of the product (Uysal and Noe, 2003; Swan and Combs, 1976).

03. RESEARCH METHODOLOGY

Study Location

The research study was conducted at the world heritage site Sigiriya, Sri Lanka. The Sigiriya rock fortress is located in the cultural heart of Sri Lanka belonging to the Central province of the island. This ancient city is world renowned for its magnificent architectural design and engineering skills displayed. It is bounded by the ruins of the ancient city built by King Kasyapa in 477. History states that a clash between two brothers that occurred for power, lead king kasyapa to select Sigiriya as his capital and constructed his palace on top of the rock, that would provide him maximum safety. Sri Lanka tourism statistics revealed that 44% of the international tourists who visited the cultural triangle have visited Sigiriya bringing revenue of Rs 237,503,400.00 in 2010. Despite the tourism growth in the country or the significance of Sigiriya, little is known and documented regarding travel motivations to Sigiriya. With the recognition of the importance of push and pull motivations, this research selected Sigiriya as it is the tourism icon representing Sri Lanka in the international market and tourists have ranked it as one of the most outstanding attractions in the country.

Research framework

The framework of the study is based on the model introduced by Yoon & Uysal, 2003 and relevant research conducted in similar fields. In their framework Yoon & Uysal presented the understanding of the relationship between travel motivation, satisfaction and destination loyalty. Nevertheless, as this study attempts to examine the push and pull factors of motivations that attracts tourists to Sigiriya, the framework was constructed on the push and pull factors that were recognized through the past literature. Figure 1, presents a brief structure of the framework.

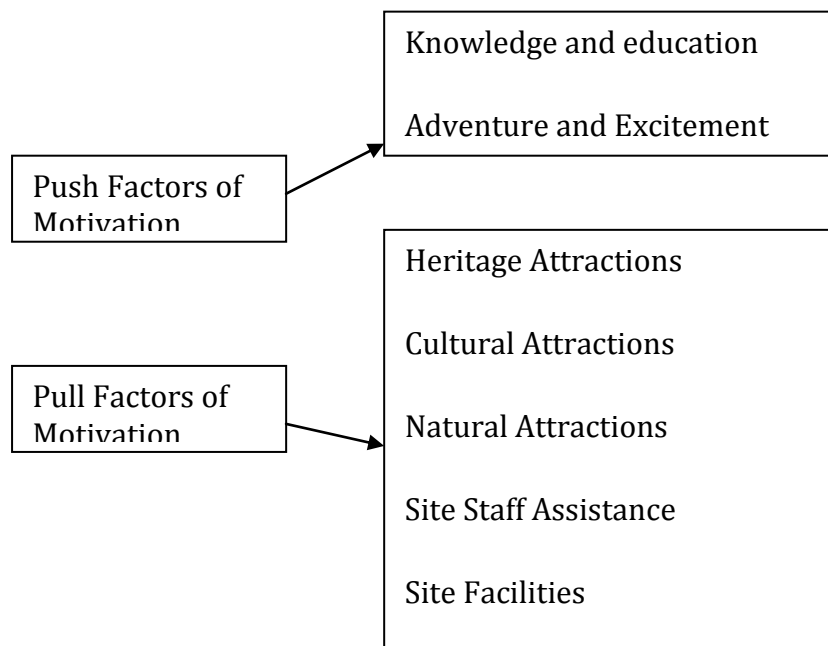


Figure 1: framework

The model presents two push factors namely, seeking knowledge/education and adventure/excitement. Likewise, seven pull factors, namely heritage attractions, cultural attractions, natural attractions, site facilities, site staff support, site general attributes and general destination attributes.

Sampling

The target population for this research study was the international tourists visiting the historical site Sigiriya. The population includes adult visitors who are 18 years of age or above. Population list is unknown and therefore the sample design of the study was based on non probability sampling which is convenience sampling technique. The study targeted sample of 400 and distributed 500 questionnaires at the site in a time span of two weeks from January to March 2013. In total 420 questionnaires were received with 390 usable questionnaires for analysis.

Of the 390 respondents 225(59%) were males and 164(42%) were females. The mean age for 390 respondents was 39 +- 15. The median is 39, indicating at least 50% of the respondents are below 39 years. Majority 240, (62%) of the respondents are employed full time. Of the rest 52(14%) are retired and 37(10%) are unemployed. Of the respondents 216(61%) reported to be Europeans and 79 (22%) Chinese. 328(84%) were visiting Sigirya for the first time and

Key mode of information, 197(51%) was the internet. Secondly, 75(19%) were on word-of-mouth. Nearly 90% reported that they are likely to recommend Sigiriya to potential tourists.

Survey instrument

Quantitative data analysis was the focus of this study. Thus, a questionnaire was designed to examine the objectives of the study. The three-part self-administered questionnaire was focused on demographic and travel behavior characteristics, push motivation factors, pull factors, and tourists' expectations and satisfaction level at the site. The questions were adapted from previous research work such as Yoon & Uysal, 2003; Poria, Reichel & Biran, 2006; Huh & Uysal, 2003; Pedersen, 2002).

The questionnaire included questions about reasons to visit the site and their expectations concerning the heritage exhibits, cultural attractions, natural attractions and site specific attributes. Both push and pull factors were measured, on a 5-point Likert scale, where 5 indicated very important and 1 indicated very unimportant. The instrument ended with three questions measuring overall satisfaction, willingness to recommend and intention to re-visit. It also had few open-ended questions to gather recommendation for further development of the site.

Pre-test reliability was conducted on two pilot tests and the Cronbach's Alpha was a 0.766 on push factors and 0.888 on pull factors. Out of the 500 questionnaires distributed, 390 duly filled questionnaires were considered for the study reporting a return rate of 82%.

Using SPSS version 17, data purifying was performed to examine outliers and extreme values of the distribution of data. Similarly, Exploratory Factor Analysis (EFA) was performed as a data reduction technique with the purpose of identifying underlying dimensions and to verify the conceptualization of the construct of interest.

Data Analysis

The data analysis of this study consist the results of the EFA analysis determining the significantly correlated factors of including two push factors and seven pull factors. As presented in Table 1, the factors analysis was acceptable as all the variables were included in the factors and the highest correlation values with other variables were more than 0.3 which is considered to be sizable as in Cohen's(1989) criterion.

Table 1: The results of EFA pull and push factors

Variable	Highest Correlation	Factor Loading
Pull Factors		
Heritage Attractions		
Historical Buildings/ Archeological Value	0.631	0.779
Paintings/Arts	0.612	0.758
Architecture	0.631	0.804
Authenticity	0.597	0.715
Cultural Attractions		
Art/music & Dances	0.702	0.778
Cultural Villages	0.702	0.738
Handicrafts	0.666	0.811
Souvenirs	0.666	0.712
Festivals/Events & Variety of Activities	0.569	0.687
Site Facilities		
Cafeteria	0.639	0.744
Shops	0.454	0.528
Washrooms		

Site Staff Assistance	0.672	0.744
Friendliness	0.755	0.886
Knowledge	0.755	0.866
Professionalism	0.441	0.488
Guides Assistance		
	0.452	0.611
Site General Attributes	0.425	0.585
Safety	0.524	0.707
Entrance Fee	0.524	0.722
Information Centers		
Accessibility		
General Destination Attributes		
Quality of Meals	0.698	0.719
Hotel Facilities(rooms)	0.715	0.821
Hotel Staff Assistance	0.715	0.818
Hotel Service Quality	0.712	0.862
Infrastructure	0.602	0.748
Security	0.614	0.706
Cost	0.528	0.592
Natural Attractions		

Natural Scenery	0.825	0.824
Landscape	0.825	0.913
Wild life activities	0.542	0.642
Climate & weather conditions	0.551	0.639
Push Factors		
Knowledge/Education		
Experience Heritage	0.613	0.796
Learning History/Culture	0.613	0.763
Experience Local life style	0.512	0.679
Info. On local culture	0.712	0.629
Infor. Local area	0.712	0.540
Emotionally involved	0.476	0.498
Adventure and Excitement		
Thrills & Excitement	0.554	0.913
Trekking	0.554	0.581

A descriptive analysis, reviewed the mean scores and standard deviation for the expectation levels of the seven pull factors namely, heritage, cultural, natural attractions, site staff support, site facilities, site general attributes and general destination attributes. Similarly, the mean scores and standard deviation were computed for expectation level on two push factors namely, seeking knowledge/education and adventure excitement. The frequency and

percentage analysis was performed for each variable to analyze the level of importance based on ranking. The analysis was performed using SPSS 17 version.

04. RESEARCH FINDINGS

Push and Pull factor analysis

The mean expectation scores for pull factors revealed that four variables namely, heritage attractions, site staff assistance, general destination attributes and natural attractions were between 4 to 5. Thus, these four factors are the significant pull factors that motivated tourist decision to visit the site. Of the 390 respondents, 185(47%) reported heritage attractions as a very important motivator, 139 (36%) cultural attractions were seen important, 150(38%) indicated that site facilities were important, for 192(49%) site staff assistance was important, 220(56%) stated that site general attributes are important, 209(54%) general destination attributes are important and 198(51%) natural attractions were very important. Table 2, presents the descriptive analysis for pull factors

Table 2: Descriptive analysis of pull factors

Construct	Mean	SD	Frequency	Percentage
Pull Factors				
Heritage Attraction	4.20	0.72		
Very Unimportant			2	1
Unimportant			7	2
Average			35	9
Important			161	41
Very Important			185	47

Cultural Attraction	3.46	0.84		
Very Unimportant			5	1
Unimportant			43	11
Average			15	39
Important		1		36
Very Important			13	13
			9	
			49	
Site Facilities	3.41	0.86		
Very Unimportant			2	1
Unimportant			66	17
Average			13	34
Important		2		38
Very Important			15	10
			0	
			40	
Site Staff Support	4.15	0.65		
Unimportant			1	0
Average			50	13
Important			19	49
			2	

Very Important		14	38
		7	
Site General Attributes	3.97	0.66	
Very Unimportant		1	0
Unimportant		8	2
Average		76	20
Important		22	56
Very Important		0	22
		85	
General Destination Attributes	4.09	0.65	
Unimportant		4	1
Average		63	16
Important		20	54
Very Important		9	29
		11	
		3	
Natural Attractions	4.29	0.69	
Very Unimportant		1	0
Unimportant		7	2
Average		25	6
Important		15	41
		9	

Very Important

19

51

8

Descriptive statistics for push factors are presented in Table 3. The key two push factors were, seeking knowledge/education and adventure/excitement. Seeking knowledge/education was measured with experiencing different life style, experiencing heritage resources, learning about history and culture, information on local area and information on local culture. Adventure and excitement factors were measured with being physically active and engaging in thrills and excitement.

The overall mean scores for expectation on seeking knowledge/education are towards 4. Hence, it is reported to be a key important factor of push motivation. Majority of the respondents 306 (79%) reported that learning about history and culture was an imperative motivating factor. 282(74%) reported that experiencing heritage resources of the site was significant. 279 (73%) respondents reported that experiencing new or different local life style was important. Information on local area as given importance by 249(64%) of the respondents. 192 (50%) stated that information on local culture is also important.

The means scores for adventure and excitement were between 3 and 3.5. Thus, these factors were somewhat important for their travel decision. Of the 390 respondents, 200(52%) stated that being physically active/ trekking was important. 194 (51%) reported that finding thrills and excitement was important.

Table 3: Descriptive analysis of push factors

Construct	Mean	SD	Frequency	Percent
Push Factors				
Knowledge/Education	3.9	0.68		

Experiencing new or different local life style

3.91 1.04

Very Unimportant	8	2
Unimportant	40	10
Neutral	59	15
Important	149	39
Very Important	130	34

Experiencing heritage resources of the site 3.92 0.868

Very Unimportant	3	1
Unimportant	22	6
Neutral	77	20
Important	183	48
Very Important	99	26

Learning about history and culture 4.07 0.921

Very Unimportant	6	2
Unimportant	20	5
Neutral	55	14
Important	166	43
Very Important	140	36

Information on local area	3.77	0.88		
Very Unimportant			5	1
Unimportant			22	6
Neutral			109	28
Important			171	44
Very Important			78	20
Information on local culture	4.01	0.85		
Very Unimportant			6	2
Unimportant			14	4
Neutral			63	16
Important			192	50
Adventure/Excitement	3.4	0.89		
Being Physically active/ trekking	3.54	1.02		
Very Unimportant			12	3
Unimportant			43	11
Neutral			130	34
Important			127	33
Very Important			73	19
Finding Thrills and Excitement	3.45	1.00		

Very Unimportant	10	3
Unimportant	59	15
Neutral	122	32
Important	137	36
Very Important	57	15

05. DISCUSSION AND IMPLICATIONS

The study attempts to understand factors of tourist motivation and broaden the theoretical background between the relationships of push and pull factors more specifically at a heritage site. The study supports that tourists' travel decision are driven by push and pull factors.

Looking at the push factors, the findings claimed that seeking knowledge and education is the important factor of motivation to travel to a heritage site. This evidence is consistent with past research in similar areas (Zeppel & Hall, 1992; Jewell & Crotts, 2002). The pull factors, explore that Sigiriya, has the potential of offering range of attractions which could encourage extended stay and expenditures and also promote revisits to the area and positive word of mouth. The resource managers should capitalize from its valued heritage, natural attractions, cultural attractions and hospitality of the local people.

Considering the most important fact that nearly 90% of the tourists intend to recommend the site to potential tourists, the destination managers and authorities should make benefit out of this by providing quality service, facilities, infrastructure at the destination site. Furthermore, the findings disclose the importance of the conservation of its heritage, cultural exhibits and natural surroundings. It reveals that specific heritage, cultural and nature-based activities have a potential of attracting specific niche markets.

Identifying push and pull motives is essential for developing a successful marketing strategy that leads to meet tourist expectations at a heritage site. It also enables segmenting markets and their specific needs, plan promotional activities and site development decisions.

06. CONCLUSION

The observed results of this research provide evidence to that tourist motivation is closely associated with satisfaction and loyalty. As tourism is becoming a significant sector in Sri Lanka's economy, the key findings of this study provides crucial managerial and policy implications to destination managers more specifically for one of the country's core tourism product Sigiriya rock fortress.

Future research may judge multiple dimensions in tourism motivation and integrate the approaches used by previous models. Also the focus of this study approach can be applied to other main tourism products in the country that may prove to be remarkable growth in tourism development.

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TOURISM E-MARKETING IN DEVELOPING COUNTRIES

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Abstract

Today, many developed countries are trying to earn money through tourism. This is because of the great potential of tourism providing employment, income and economic, social and cultural development of society. According to the World Tourism Organization, in 2020 tourism will outpace other industries and will become the world's number one industry. Thus, it is very important for developing countries to be aware of this fact and try to grab the opportunity. But unfortunately, despite the enormous potential of weather and climate existing in developing countries, these countries do not have the benefit of a good platform and they do not take the advantage good enough. In addition to tourism related to weather factors, historical and cultural tourism and many other types of tourism can be strengthened and it's not the way it should be. So probably, one of the most important barriers to progress is that marketing system is weak. By bold presence of internet in today's world, E- marketing can be one of the most effective tools for destination marketing and advertising. In this study, E-marketing in developing countries is been discussed. Method of this study is review of the library.

Keywords: *Tourism, Marketing, E-marketing, Developing countries, Tourism industry*

01. INTRODUCTION

The role of international tourism in generating economic benefits has long been recognized in many developing countries (Jenkins, 1991). The public sector may have been reluctant in the past to contribute towards tourism development, but the situation has changed and, over the years, governments' perspectives on tourism have not only evolved to include wider participation, but have also widened from the narrow focus on economic benefits to encompass environmental and societal concerns. Everything seems to suggest that developing countries look upon tourism Consumption as manna from heaven that can provide a solution to all their foreign exchange difficulties (Erbes, 1973: p-1). This description of tourism as 'manna from heaven' has gained some support, in part because tourism is a highly visible activity. Although tourism development results in the provision of facilities and services, there are, however, instances when these facilities are not accessible to local residents, particularly if tourism development involves the creation of tourism enclaves. In the last two decades in particular tourism has developed, especially in developing countries by their integrated tourism planning (Vanhove, 2005).

On the other hand, the current estimate of the global number of internet users is over 1.2 billion. There has been substantial growth in all world regions, particularly in Asia and the Pacific which over seven years has moved from third position (with about 100 million users) to top position with over 400 million. Broadband, a critical factor in the use of internet for tourism has and will grow at a particularly fast rate (UNWTO, ETC, 2008, 4). So, E-marketing is an effective means to promote tourism industry in Asia and developing countries.

1- Demand for Travel and Tourism

Travel and tourism starts with the tourist – if people did not wish to be tourists or to seek out tourism experiences, travel and tourism would, by and large, not be the major phenomenon it is today. Therefore, understanding why people want or choose to be tourists is fundamental to the study of travel and tourism. The demand for tourism is, however, a broad topic. It is not only about how and why people decide to participate in tourism, but also about how they behave as tourists, why they choose particular types of tourism, what tourism means to them,

why their 'taste' in tourism may change over time, and so on. In short, to study the demand for travel and tourism is, in effect, to study the tourist. Inevitably, then, it is one of the largest (and most researched or written about) topics within the study of travel and tourism and, perhaps, one of the most complex. It also draws on a number of the social sciences, particularly sociology, anthropology and psychology, while key running themes are the sociology of tourism and authenticity. Nevertheless, the basic principles and concepts within the demand for travel and tourism are relatively simple and, once you have grasped these, then you will be much better placed to explore areas of particular interest in more detail (Sharpley, 2006, 21).

02. MARKETING

Marketing is perceived by lots of business people to mean simply promotion and advertising. However, the term '**marketing**' actually covers everything from company culture and positioning, through market research, new business/product development, advertising and promotion, PR (public/press relations), and arguably all of the sales functions as well. It's the process by which a company decides what it will sell, to whom, and when and how and then does it.

People hold a variety of misconceptions about marketing. Most common is its confusion with selling and advertising. Selling and advertising are actually types of promotion which is only a component of marketing. Marketing involves much more, including product/ service development, place (location and distribution), and pricing. It requires information about people, especially those interested in what you have to offer (your "market"), such as what they like, where they buy and how much they spend. Its role is to match the right product or service with the right market or audience. Marketing, as you will see, is an art and a science. According to the American Marketing Association, marketing is "the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives." Simply stated it is creating and promoting a product (ideas, goods or services) that satisfies a customer's need or desire and is available at a desirable price and place. Modern marketing is a way of doing business, heavily based on the "marketing concept" which holds that businesses and organizations should:

- (1) Design their products/services to meet customer needs and wants.
- (2) Focus on those people most likely to buy their product rather than the entire mass market.

(3) Develop marketing efforts that fit into their overall business objectives (Raju, 2009, p3).

As all know, internet has penetrated in human life. To speak about using internet in different contexts, one of the modern forms of marketing is E-marketing.

2-1-Benefits of E-marketing

The benefits of E-marketing are wide-ranging:

- Delivery of massive amount of information in a user-friendly way.
- Brand-building is a more recent benefit, made rapidly by the rapid spread of broadband connections, allowing users experience dramatic imagery and animation, as well as enhanced communication and interaction.
- Two-way interaction between the DMO (Destination Marketing Organization), suppliers and customers, and between customers and other like-minded customers.
- Joining promotional activity seamlessly with online purchasing.
- Cost- effectiveness in conveying information and products on sale directly, cheaply and short notice at prime prospects, through the web, email and mobiles (UNWTO, ETC, 2008, 2) and many other benefits.

All strategies and interactions related to customers is been summarized in figure 1.

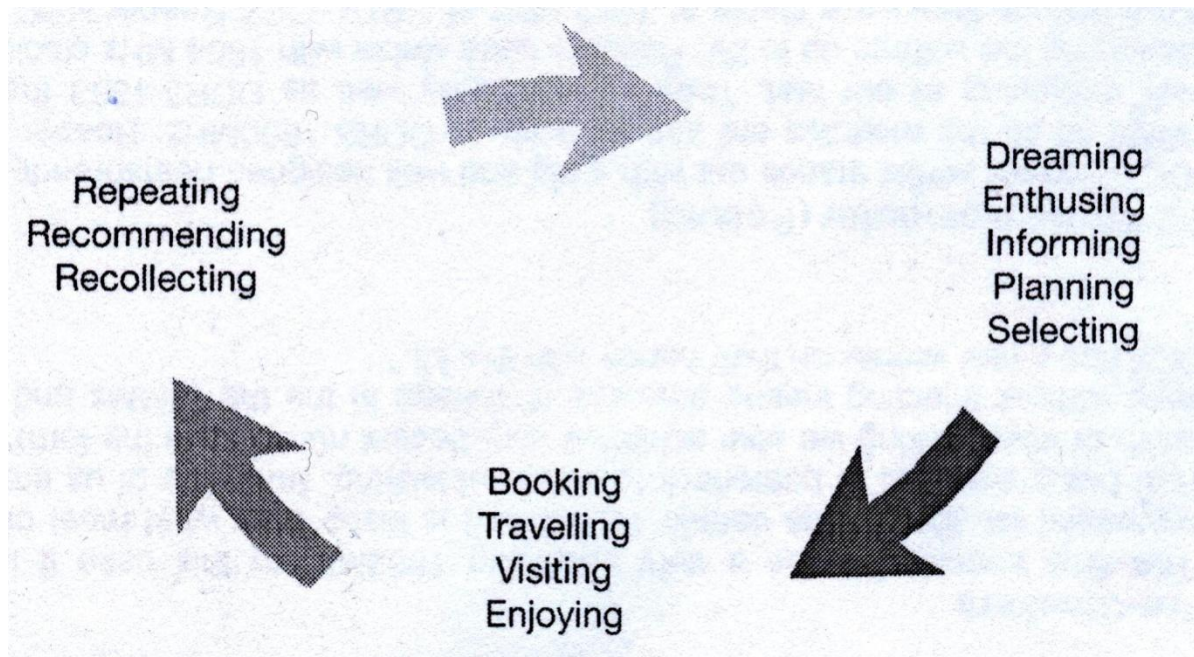


Figure1. Customer journey wheel (TEAM, tourism consulting, 2007)

E-marketing encompasses a wide range of activities and there are some techniques in use.

Table 1. Overview of a different E-marketing techniques at each stage of the” customer journey” (UNWTO & ETC, 2008)

Customer journey	Communications life cycle (DMO response to customer need)	E-marketing activity aimed at the customer
Dream And Select	Creating awareness, meeting aspirations, arousing emotional interest, enthusing with specific ideas	<ul style="list-style-type: none"> • Brand projection and motivational content, including video on web and interactive TV • E-mail/viral promotions • Distribution of information through high profile intermediaries, such as Expedia, Travelocity, World Travel Guide, Concierge, and Rough Guide • Search engine optimization (SEO)/promotion for key values, experiences and motivations • CRM with media and travel trade – to generate stories and images
Plan	Providing ‘hard’ information	<ul style="list-style-type: none"> • Information on, for example, transport, accommodation and events, etc. • Planning tools for use by customers on the

		<p>web, including itinerary</p> <p>and route planners</p> <ul style="list-style-type: none"> • Enabling social networking for exchange of content • Special offers and promotions by e-mail
Book	Enabling booking	<ul style="list-style-type: none"> • Product search facility on web • Booking provided on destination website or facilitation of booking through third parties including comparison search engines with ‘polling’ for price and availability
Visit	Visitor services in the destination	<ul style="list-style-type: none"> • Interactive itinerary planner for visitors • Use of new media to tell stories – interpretation, recreation • Timely, location-based offers to mobiles by short message service (SMS, commonly called texting) or e-mail • Information and tools for use by information centers and other outlets • Distribution to hotel and holiday village bedrooms and reception areas, and other places such as shopping malls, via TV and kiosks

<p>Post-visit recollection and recommendation</p>	<p>Maintaining the relationship through research and follow-up action</p>	<ul style="list-style-type: none"> • Online research regarding customer's visit, satisfaction and potential for repeat visits (by type) • Enable visitor community (consumer to consumer – C2C), with user generated content (reviews, blogs) – for example, collaborate with a specialized site like IgoUgo to 'mash' with consumer generated content • E-mail marketing. This activity should stimulate Recommendations to friends and family, as well as repeat visits. It will do so by encouraging recollection (for example, buying books, souvenirs and merchandising); by satisfying the customer's wish to share (uploading pictures, adding reviews); and by providing stimuli for recommendations and repeats (what's new, events, special offers, competitions, games, viral)
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03. TOURISM E-MARKETING IN DEVELOPING COUNTRIES

The terms ‘the third world’, ‘underdeveloped countries’, ‘developing countries’, ‘poor countries’, the South’ and ‘less-developed countries (LDC’s)’ are mostly used interchangeably (Tosun and Jenkins, 1998). However, it is not an easy task to define precisely what is meant by these terms as McQueen (2002). Buchanan (1971, p.20, quoting New Left review, 1963, p. 4) describes ‘the developing country is a universe of radical scarcity. Defining and determining every dimension of men’s relationship to each other... the inadequacy means of livelihood is the first and distinguishing truth of this area’. In order to give a more clear meaning of the term, it is worth quoting Todaro (2000) at some length: The 143 African, Asian and Latin American member 3 countries of the United Nations often collectively refer to themselves as the ‘Third World’ or ‘developing countries’. Developing Countries, third World countries, industrializing countries, underdeveloped countries, and less developed countries are countries which, according to the United Nations exhibit the lowest indicators of socioeconomic development, with the lowest human development ratings of all countries in the world. The World Bank (2009) classified developing countries as those having per capita income of less US\$ 2200. Another concept of developing is that they have a high level of illiteracy; Afghanistan, Pakistan, Bangladesh, India, Iran and Sudan are typical examples.

All these developing countries try to use different means to get promoted up to the level of developed countries.

Rapid growth of internet users and online marketing can be very effective in promoting tourism industry in developing countries. In this table number of internet users in key markets is been forecasted in different areas.

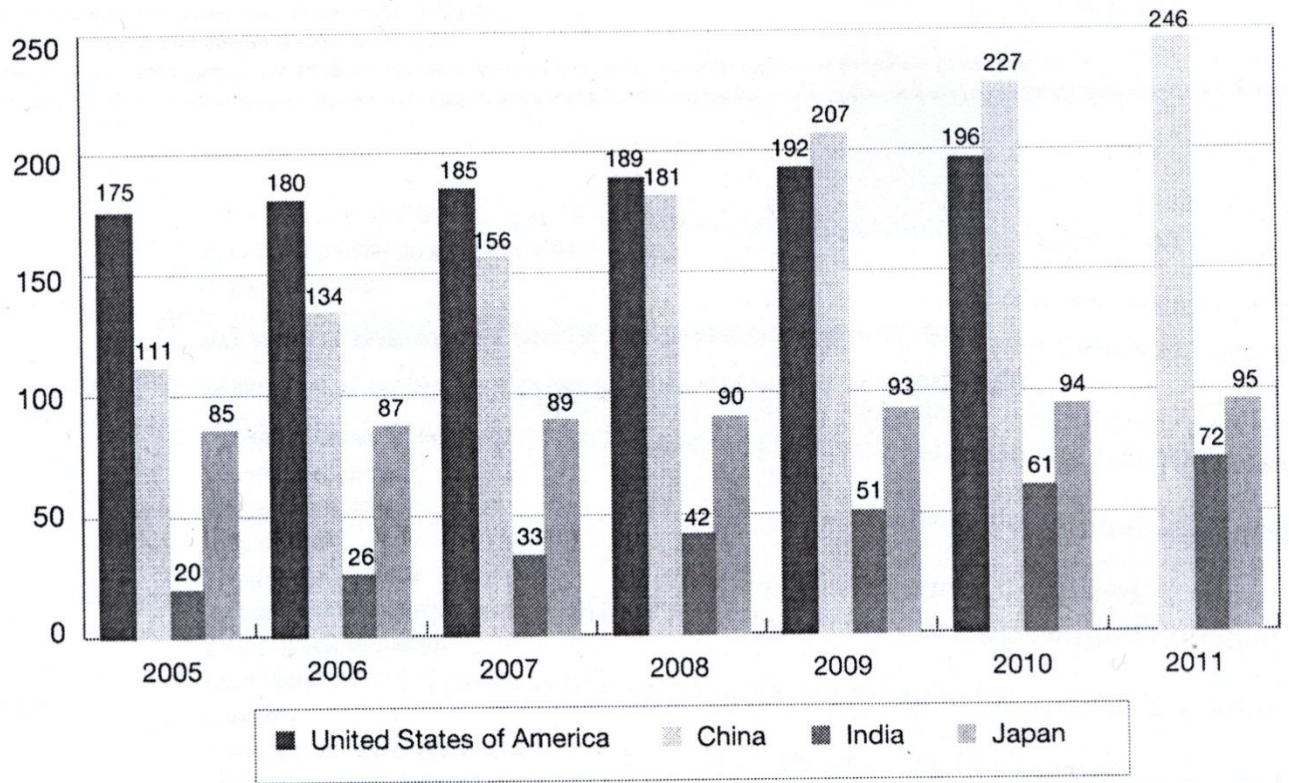


Figure 2. Forecasts of number of internet users in key markets in million (<http://www.eMarketer.com>, 2007)

Continuing rapid growth may be anticipated in Asia and the Pacific, particularly in India and China and the more mature internet markets of the republic of Korea and Japan. Thinking globally over the next five to 10 years, India and China are undoubtedly the prime emerging markets, in term of both the number and value of travelers overall, and the extent of online travel planning and booking activity (UNWTO & ETC, 2008).

Thus, in developing countries there is a huge potential for using online marketing and develop tourism through it.

04. CONCLUSION

The world in which we live changes rapidly and Internet is one of the fundamental causes underlying this changes. one the other hand, tourism industry is a really good chance for developing countries to promote their economic situation. To achieve this goal, different tools are needed. One of the fundamental tools is a strong marketing system. According to the

rapid growth of using internet among customers and other stakeholders, E-marketing could be one of the modern tools for advertisement and destination marketing.

Despite having enormous potentials, Developing countries are not doing fine in the competitiveness system. As mentioned earlier, it is not enough that the country possesses a potential for becoming a covetable tourist destination. It requires different tools for raising and making imaginary to reality. E-marketing could be a powerful instrument for getting better and making our countries as a thriving market. Developing countries should be able to show the reality of their potentials and sources by using technology and internet. There are many developed countries around the world that despite having fewer resources compared to some developing countries get more income from tourism industry. Definitely, one of the practical solutions to this problem will be a strong marketing and E-marketing system. In this sense destination management organizations should manage marketing system for creating differentiation and competitive advantage and make our destination to be considered.

Abbreviations

1. DMO: Destination Management Organization
2. ETC: European Travel Commission
3. UNWTO: United Nations World Tourism Organization

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ACCOUNTING FOR INTELLECTUAL CAPITAL: APPLYING MARKETING'S SERVICE-DOMINANT LOGIC TO HOTELS

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Abstract

Intellectual Capital (IC) assets are a widely accepted means of strategically differentiating one hotel's offering from its competitors. However, issues around managing, measuring, and reporting IC in the hotel industry continue to limit the potential to leverage off IC for competitive advantage. Compounding the managerial tensions surrounding IC, prevailing accounting perspectives tend to compartmentalise IC. We propose that such issues might be addressed by applying marketing's Service-Dominant Logic to the context of the hotel industry, specifically to examine the IC disclosure practices of top publicly-listed hotels. We argue that fresh insights into managing IC for competitive advantage are afforded by applying Service-Dominant Logic, based on value being co-created within a complex network of strategic alliances, to interpret voluntary IC disclosures made by hotels in their annual reports. While the hotel industry is greatly influenced by IC assets, hotel IC disclosures are significantly under-researched. Hotels' IC assets (e.g., training, strategic partnerships, and branding) have become increasingly important in marketing hotels in a highly competitive environment where the customer experience is regarded as critical to hotel positioning and competitive advantage. We hold that Service-Dominant Logic is eminently appropriate to frame and measure hotels' IC disclosures made in annual reports. This paper presents the development and implementation of an innovative instrument that uses content analysis for researching IC disclosures in the annual reports of top publicly-listed Asian hotels. This research highlights the limitations of continued use of outdated measures and models inconsistent with a Service-Dominant Logic perspective on hospitality and tourism.

Keywords: *hotels, intellectual capital, Service-Dominant Logic, marketing, accounting*

01. INTRODUCTION

With the emergence of the new knowledge economy, value is no longer primarily driven by physical assets; rather, value is largely driven by intellectual capital (IC) (Petty, Cuganesan, Finch, & Ford, 2007). Traditionally IC has not been adequately reported. However, because intellectual capital disclosure has the ability to improve shareholder and market value of an organisation the disclosure of IC is essential (Haji, Mohd, & Ghazali, 2012). Using the Hotel IC Disclosure Instrument created by FitzPatrick, Davey, Muller, and Davey (2013) this paper reports research that used content analysis to analyse the annual reports and sustainability reports of three of the top publicly-listed hotels in Asia. The Hotel IC Disclosure Instrument analyses intellectual capital disclosures from a Service-Dominant Logic perspective. The paper reports on the analysis of the nature and extent of IC disclosures and the workability of the current IC instrument. Two coders analysed the company annual reports, after which they made suggestions for potential improvements of the instrument to increase the instrument's usefulness and value.

02. LITERATURE REVIEW

Value creation in a modern economy is driven by a firm's intellectual capital, rather than financial and physical capital which were traditional drivers of value (Petty et al., 2007). Traditional value drivers such as land, labour, and capital have largely been displaced and increasingly superseded by IC in the modern competitive environment (Kavida & Sivakoumar, 2009). For example, Kim, Yoo and Lee (2011) define IC as "a non-monetary asset without physical substance that can reap economic benefit" (p. 2244). Traditionally, the disclosure of information by organisations was based largely on financial information and often provided backward-looking historical information (Bismuth & Tojo, 2008). However, due to the significant value of IC within an organisation, adequate disclosure of IC is imperative. In the knowledge economy services have emerged to comprise a significant proportion of productive activities in an economy (Kianto, Hurmelinna-Laukkanen, & Ritala, 2010). Accordingly, marketing has moved to a Service-Dominant Logic view in which "intangibility, exchange processes and relationships are central" (Vargo & Lusch, 2004, p. 2). This literature review examines IC and its significance in an ever-changing business environment. It then outlines how the changing business environment has affected the

reporting practices of organisations. Finally, the literature review focusses on IC in the service industry and the relationship between IC and Service-Dominant Logic.

What is Intellectual Capital?

There is no universally accepted definition of IC. Within the literature there is a wide range of different definitions. As well as the popular definition of Kim et al. (2011) provided above, Stewart (1994 as cited in Chen, 2008) defined IC as “the total stocks of the collective knowledge, information, technologies, intellectual property rights, experience, organisation learning and competence, team communication systems, customer relations, and brands that are able to create values for a firm” (p. 273). IC was defined by Keenan and Aggestam (2001) as “relatively intangible and/or hidden assets of enterprises that are or can be leveraged to create value for the stakeholders of the organisations” (p. 262). With more of a measurement focus, Petty et al. (2007) defined IC as the difference between the market value and book value of a company. Across the range of definitions, scholars tend to agree that there are three broad categories of IC: human capital, customer (or external) capital, and organisational (or internal) capital (Kim et al., 2011; Petty et al., 2007).

Human Capital

Human capital can be defined as “the skills/competencies, training and education, and experience and value characteristics of an organisation’s workforce” (Petty et al., 2007, p. 64). Kim et al. (2011) explained that human capital also includes other factors such as employee commitment, motivation, and attitude towards their work.

Customer Capital (External Capital)

Customer capital (or external capital) is defined as “the knowledge embedded in the marketing channels and customer relationships that an organisation develops through the course of conducting business” (Bontis, Chua Chong Keow, & Robinson, 2000, p. 88). In particular, Kim et al. (2011) suggested that customer capital relates to the relationships between organisations and customers which provide current and future value for the organisation.

Organisational Capital (Internal Capital)

Organisational capital (or internal capital) refers to “the processes (routines) and procedures that are recorded and become acceptable to the organisation as a record of how things are done to maintain effectiveness” (Kim et al., 2011, p. 2246). Petty et al (2007) added that internal capital refers to “the knowledge embedded in organisational structures and processes, and includes patents, research and development, technology and systems” (p. 64).

This paper adds to the IC literature by examining IC-related challenges through the lens of the emerging Service-Dominant Logic, an alternative logic that has been enthusiastically received by scholars in business and management disciplines since it was introduced in 2004 (Vargo & Lusch, 2004). Intangibility, the essence of IC, is implicit in Service-Dominant Logic (commonly abbreviated to S-D Logic). It is implied in the definition of ‘service’ as “the application of specialized competences (knowledge and skills) for the benefit of another party” (Vargo & Lusch, 2008, p. 256). It is widely recognised that the management of intangible assets creates value in the context of services; however, the hotel industry has been under-researched with specific regard to IC disclosures (FitzPatrick et al., 2013). The hotel market is characterised by its very intangibility, dominated by the service experience, and distinguished by the characteristic of hospitality. Therefore, we hold that Service-Dominant Logic is eminently appropriate to frame and interpret IC disclosures made by hotel companies in their annual reports.

Taking a Service-Dominant Logic approach to IC suggested that IC measurement should account for five separate IC categories, rather than the conventional three-category classification. Accordingly, using the Kim et al. (2011) definition of IC, the innovative research instrument classified IC according to: Relationships as Assets, Human Assets, Culture Assets, Practices and Routines Assets, and Intellectual Property Assets.

Changing Business Environment

There has been significant revolution in the business environment as “the traditional bases of competitive advantage have begun eroding” (Ordonez de Pablos, 2002, p. 287). Erickson and McCall (2012) alluded to the challenges of this change: “The past two decades have seen an increasing interest in knowledge as a competitive differentiator in today’s economy” (p. 60). As a result of such changes, intangible assets are becoming a major determinant of competitive advantages for firms in the knowledge economy (Chen, 2007).

Intangible assets represent a significant amount of a firm's value: "statistically these intangibles represent about 60-80 percent of a company's value" (Haji & Mohd Ghazali, 2012, p. 377). As a result, several academics have contested the traditional model of company valuation. For example, Chen (2007) stated that "in the era of the knowledge economy, firm's IC is always greater than its financial capital...the gap between market value and book value of a firm has been increasing continuously; consequently, the real value of a firm is no longer correct on its financial statements" (p. 271). Such changes to the business environment have prompted corresponding developments in managerial disciplines such as strategic management and marketing; notably, knowledge management, IC measurement and reporting are receiving increased attention (e.g., Ordonez de Pablos, 2002; Walsh, Enz, & Canina, 2008).

Scholars recognise that IC has the strategic potential to provide a competitive advantage for businesses if it is "incorporated properly in the philosophy, culture, and vision of the firm" (Kavida & Sivakoumar, 2009, p. 59). Walsh et al. (2008) contend that IC can be a competitive advantage because it is "capable of many simultaneous applications, cannot be depleted with use, and is socially complex" (p. 302). When IC has been used as a strategic management tool, businesses have been successful in establishing "a lead over their competitors and successfully generated wealth of their shareholders" (Kavida & Sivakoumar, 2009, p. 58).

Service-Dominant Logic, Intellectual Capital and the New Economy Era

Service-Dominant logic proposes that "marketing has moved from a goods-dominant view, in which tangible output and discrete transactions were central, to a service-dominant view, in which intangibility, exchange processes, and relationships are central" (Vargo & Lusch, 2004, p. 2). Furthermore, S-D logic conceptualises service as the application of specialised competencies (knowledge and skills) for the benefit of another party. Service-Dominant Logic shifts from the traditional value model focused on tangible resources to a revised logic that focuses instead on intangible resources, co-creation of value through the interaction between the supplier and consumers, and relationships (Vargo & Lusch, 2004). Vargo and Lusch (2004) argue "the fundamental economic exchange process pertains to the application of mental and physical skills (service provision), and manufactured goods are mechanisms for service provision" (p. 10). This statement highlights the prominence of the service economy in the new business environment. In the service economy, knowledge "...both tacit and

explicit knowledge, is the essential differentiating information about the company that sets the company apart from competitors and identifies its value proposition as different to customers” (FitzPatrick et al., 2013, p. 93). Building on the recognition of knowledge as a company resource, Service-Dominant Logic emphasises interactions and relationships as the platform of value creation. At the core of Service-Dominant Logic is the premise that both the service provider and customer co-create value through the contribution and integration of resources. As Gruen and Hofstetter (2010) explain: “The service that is rendered is seen as a collection of resources available to the customer who then adds and blends the resources provided by the seller, which in combination provides a benefit or a service to the customer and the seller” (p. 232).

In conclusion, in the new economy era service industries are significant contributors to market economies. Therefore, Service-Dominant Logic is highly relevant with its insistence that “intangibility, exchange processes and relationships are central” to successful and sustainable business enterprises (Vargo & Lusch, 2004, p. 2). In this changed business environment, research indicates that IC and intangibles “play a great[er] role in a company’s value creation process” (Skoog, 2003, p. 487). In the modern knowledge economy IC is the most valuable resource a company can possess. It is important that firms adequately disclose their IC due to the significance that the asset has on the value of the firm. The disclosure of IC can have several benefits for a firm such as improved financial performance, improved relations with stakeholders, competitive advantages, and increased market value. Overall, IC is a significant asset for firms and thus firms should be disclosing these assets, otherwise they risk undervaluing their business.

03. METHOD

The focus of the research reported here was on companies in the Asian hotel market as FitzPatrick et al. (2013) had already completed studies on the IC disclosures of hotels in the United States and European market. This research accordingly selected three of the largest, publicly-listed Asian hotel companies based on market capitalisation. The company’s primary business activity was required to be in the operation of hotels to ensure that sufficient IC disclosure related specifically to hotel operations in their respective annual reports. Hotels were selected from the lodging industry, which includes hotels and resorts, and therefore

excluded hotels with casinos from selection. Finally, only hotel companies listed on a stock exchange were chosen to ensure that annual reports were publicly available.

The hotel companies selected were Shangri-La Asia Limited, The Indian Hotels Company Limited, and EIH Limited. The hotels were selected based on industry information from the Industry Centre – Lodging on Yahoo Finance. This was considered to be a reliable source as all industry information is provided by Morningstar Inc.

The Hotel Intellectual Capital Disclosure Instrument, which was developed by FitzPatrick et al. (2013), was applied in this study. The research examined IC disclosure using content analysis of the companies' 2012 annual reports. In addition, following Oliveira, Lúcia, and Russell (2010), where companies produced sustainability reports these were also analysed for IC disclosures because these reports can be important channels for company disclosures. Content analysis is acknowledged to be an effective tool for analysing annual reports for IC disclosures because it is “a good instrument to measure comparative positions and trends in reporting” (Guthrie, Petty, & Yongvanich, 2004, p. 285).

In conducting the content analysis the two coders individually applied the instrument to the annual reports. The aim of individually analysing the IC disclosures was to test the robustness of the instrument and to compare the similarities and differences found. This procedure increases the reliability of content analysis (Beattie & Thomson, 2007). The most common way in which reliability of coding instruments is determined is through the use of more than one coder and “either reporting that the discrepancies between the coders are few, or that the discrepancies have been re-analysed and the differences resolved” (Milne & Adler, 1999, p. 238). Our research design allowed the coders to make recommendations about how the instrument could be refined to improve its relevance and applicability to the hotel industry.

The unit of analysis was sentences, following Milne and Adler (1999) who stated that “as a basis for coding, sentences are far more reliable than any other unit of analysis.” (p. 243). Each sentence was analysed to determine whether or not it was related to IC and which category the disclosure related to. When examining the annual reports the entire report was analysed for IC disclosures. Each report was analysed via manual search rather than electronic keyword search as “understanding of disclosures is best achieved by consideration of whole sentences” (Beattie & Thomson, 2007, p. 9).

04. RESULTS

The results from the coding are displayed below highlighting the level of disclosure for each category of IC disclosure, as well as the items most frequently disclosed according to each coder's analysis.

Coder One

Coder One results are shown in Tables 1 and 2. As Table 1 shows, according to Coder One's analysis, Culture Assets was the largest set of IC disclosures across the five categories of the instrument, with 47.89% of the disclosures. Table 2 shows Coder One's top five items representing 34.90% of total IC disclosures. It is important to note that the top five disclosed items all relate to culture as an intangible asset.

According to Coder One, Industry Recognition was the single most disclosed item, with 7.56% of all disclosures relating to this area. Recognition and awards are important disclosures as they often indicate customer satisfaction and product/service quality, which are core indicators of customer capital (Chan & Wen-Ying, 2012). The following is an example of a disclosure classed as Industry Recognition: The Oberoi Udaivilas, Udaipur, India was "Ranked the best report in the world by the readers of Travel + Leisure, USA in the 2012 World's Best Service Awards" (EIH Limited, 2013, p. 17).

Table 1

Intellectual Capital category disclosure levels

IC Category	Number of Disclosures	% of Total Disclosures
Culture Assets	944	47.89%
Practice and Routines as Assets	352	17.86%
Human Assets	301	15.27%
Relationships as Assets	237	12.02%
Intellectual Property Assets	137	6.95%
TOTAL	1971	100%

Disclosures of the hotel companies' Charitable Assets made up 7.46% of total IC disclosures. The disclosure of charitable efforts can benefit businesses as those seen to be acting as a positive corporate citizens are likely to attract customers who respect the work they are doing in the community. Therefore, the disclosure of Charitable Assets has the potential to increase hotel companies' their market share (Shermach, 2006) and competitive advantage.

Table 2

Highest disclosed items

IC Item	Number of Disclosures	% ofTotal Disclosures
Industry Recognition (C)	149	7.56%
Charitable Assets (C)	147	7.46%
Corporate Social Responsibility (C)	147	7.46%
Strategic Business Goals &Objectives (C)	135	6.85%
Maintenance of Financial Health (C)	121	6.14%
TOTAL	699	34.90%

*Note.*C = Culture assets

Corporate Social Responsibility (CSR) was the main organisational value disclosed by these hotels. CSR disclosures accounted for 7.46% of total IC disclosures in the annual reports. Allee (2000) stated that “social responsibility and environmental success clearly are important arenas of “intangibles” that have business and economic impact” (p. 18). Below is evidence of CSR reporting: “The company is conscious of its corporate social responsibilities and pursues its social commitments and environmental conservation very seriously”(EIH Limited, 2013, p. 49).

Strategic Business Goals and Objectives made up 6.85% of total IC disclosures. According to Deegan (2002, as cited in Oliveira et al., 2010), the disclosure of business strategies is essential because the reputation of a business is based on perception. Within the annual

reports the majority of the Strategic Business Goals and Objectives disclosed related to the expansion and growth projects of hotel operations.

Finally, according to Coder One, the item Maintenance of Financial Health made up 6.14% of IC disclosures. The hotels disclosed both investment in staff development and the refurbishment of hotels under this item of IC. Employee development is an important investment for organisations: “Strategically focused employee and team development should be, and can be, in the direct line of value creation and therefore the strategic goals of the enterprise” (Mayo, 2000, p. 532).

Coder Two

Tables 3 and 4 present the results of Coder Two’s analysis of the annual report disclosures.

As shown by the data in Table 3, Culture Assets was the most disclosed category in Coder Two’s analysis. This is consistent with Coder One’s analysis. However, Coder Two’s analysis resulted in a wider range of items in the top five disclosed items as shown in Table 4. As well as Culture Assets, Coder Two’s analysis featured the two categories of Practices and Routines Assets and Relationships as Assets; the IC categories of Human Assets and Intellectual Property assets were not evident in this analysis of the top five items disclosed. According to Coder Two, the top five items represented 40.8% of all disclosures, similar to Coder One’s analysis.

Industry Recognition was the most disclosed item in Coder Two’s analysis. Hotels are an experience business (Tynan & McKechnie, 2009); therefore, it is understandable that these three hotel companies would disclose a high level of recognition that often relates to the customers’ experience. Industry Recognition was represented 147 times or 12.6% of total disclosures.

Table 3
Intellectual Capital category disclosure levels

IC Category	Number of Disclosures	% ofTotal Disclosures
CultureAssets	444	38.0%
Practices and Routines as Assets	285	24.4%
Human Assets	200	17.1%
Relationships as Assets	182	15.6%
Intellectual Property Assets	57	4.9%
TOTAL	1168	100%

Table 4
Highest disclosed items

IC Item	Number of Disclosures	% ofTotal Disclosures
Industry Recognition (C)	147	12.6%
Sustainable Practices (P)	110	9.4%
Guest Satisfaction (R)	80	6.8%
Relationship with Directors & Employees (P)	75	6.4%
Maintenance of Financial Health (C)	65	5.6%
TOTAL	477	40.8%

Notes. C = Culture Assets, P = Practices and RoutinesAssets, R = Relationships as Assets

Sustainable Practices ranks as the second most disclosed item, with the three companies discussing topics ranging from sustainable practices to business sustainability. A total of 110

disclosures were made regarding sustainability, accounting for 9.4% of all disclosures. For example:

Over 80% of colleagues who responded to the online stakeholder engagement exercise for this report had personally participated in sustainability activities organised by their hotel; and 90% of these respondents said that they had a positive experience and would volunteer again.(Shangri-La Asia Limited, 2013, p. 9)

Disclosures by the three hotel companies that related to Guest Satisfaction comprised 6.8% (80 disclosures) of total IC disclosures. Disclosures of this item covered a number of formalized measures used by these hotels to monitor customer satisfaction as well as unsolicited, voluntary feedback provided by hotel guests. For example:“Our guests consistently provided strong positive feedback when asked to rate overall impression of our People”(Shangri-La Asia Limited, 2013, p. 12).

The fourth most disclosed item from Coder Two’s analysis was Relationships with Directors and Employees, which is classified within the Practices and Routines as Assets category in the IC instrument. This item relates to such relationship practices as selection and induction, employee training and professional development, monitoring and performance appraisals, reward and motivational practices, career pathways, employee benefits. A total of 75 disclosures (6.4% of all IC disclosures)were coded to this item. For example:“A Taj Hospitality Trainee program with enhanced compensation and well-defined career path was launched for these associates”(The Indian Hotel Company Limited, 2013, p. 19).

In Coder Two’s analysis, the fifth most disclosed item was Maintenance of Financial Health.This item includes disclosures relating to organisational culture as an IC and specifically to company characteristics that will support the growth and revenue generation of the hotel. Such disclosures were often related to building renovation or investment in staff,which are two key success factors in a hotel’s business (Galbreath, 2002).

To summarise, analyses of annual reports from three top publicly-listed Asian hotels found significant levels of IC disclosure relating to the revised five categories. Culture Assets were the most disclosed category in the annual reports analysed. The revised instrument radically expanded the number and range of items in this category, compared with the typical items used to measure Organisational Capital.Also noteworthy is the fact that analysis by two

coders established the same ranked order of importance of the five IC categories according to frequency of disclosures.

05. CONCLUSION

This paper investigated the workability of an innovative instrument revised by the application of Service-Dominant Logic key concepts and principles. This revised instrument is distinguished by five IC categories (Relationships as Assets, Human Assets, Culture Assets, Practices and Routines Assets, and Intellectual Property Assets) compared with the conventional measurement of IC according to three categories of Human Capital, Customer Capital and Organisational Capital. The revisions were based on insights afforded by Service-Dominant Logic's acknowledgement of relationships, networks, organisational culture, and value co-creation for managing IC to leverage competitive advantage in the hospitality and tourism sectors. The development of an instrument that better reveals a hotel's intangible assets is justified by the fundamental importance of relational and experiential dimensions to competitive advantage and strategic positioning for hotels in today's changing business environment.

The revised instrument certainly identified significant levels of IC disclosure across the expanded categories and items of IC. However, two items of IC disclosed in the annual reports of the hotel companies were not reflected in the revised instrument. From our analyses we suggest the instrument is further refined to include the demographics of directors. While the instrument included the demographics of employees under Human Assets, it did not include the demographics of directors as an item. In fact, across the three annual reports, Coder One identified 33 disclosures about the demographics of directors. Diversity among directors can promote "a better understanding of the complexities of the environment and more astute decisions" (Carter, Simkins, & Simpson, 2003, p. 36).

A second recommendation to refine the instrument is to include an item regarding the location and settings of hotels. Indeed, taking a Service-Dominant Logic approach to this finding, the location and setting of the hotel should be regarded as a value-creating resource and therefore would logically be an item within the hotel's Culture Assets. As the definition of IC used in this research is a "non-monetary asset without physical substance that can reap economic benefit" (Kim et al., 2011, p. 2244), we consider that hotel location is a non-

physical resource that creates value for guests by adding to both the perception of the hotel and the overall guest experience.

The results of this research encourage further investigations. First, research across a larger sample of publicly-listed hotel companies is necessary to consolidate and validate the refined IC instrument. Moreover, given the growing importance of relational and experiential dimensions in guest experiences, there are exciting opportunities for applying the revised instrument across a wider range of hospitality and tourism organisations.

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STRATEGIC MARKETING SYSTEM FORMULATION AND IMPLEMENTATION IN MUSEUM SRI BADUGA

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Abstract

Museums come as one of the media for people to exhibit and learn their ancestor's heritage or their region's culture, as well as a source of recreation. With the rapid development of other sources of recreation in Indonesia, such as malls, the need for museums to appeal to more visitors is becoming increasingly important. This condition requires museum managers to find a strategy to attract visitors and ensures the sustainability of the museum. This research aims at formulating a strategic marketing system for Museum Sri Baduga, the provincial museum of West Java which currently has no structured marketing planning and suffers from a declining number of visitor from year 2010 to 2012. The research gathered data from the views of the museum managers and the visitors, through observation, interview, and questionnaire distribution. The questionnaire was distributed to 100 visitors and is developed based on SERVQUAL and Marketing Mix dimensions to derive the difference between visitor's perception and expectation. It is derived that the museum should undergo product and market development. The research also concluded that the target market for Museum Sri Baduga is students aged up to 25 years old in the middle-low and low socio-economic level that like to go to the museum. The proposed positioning for Museum Sri Baduga in reaching out the target market is "the center place where people can learn about Sundanese culture and interactively experience the lessons taught in schools". Based on the questionnaire, it is also derived that currently, the visitor's perception towards Museum Sri Baduga is lower than their expectation. In formulating the strategy, each of the item is assigned with the respective strategy that can decrease the gap. In implementing the marketing strategy, there needs to be an adjustment in the internal organization. It is hoped that the results of this research be applicable in Museum Sri Baduga. Further research on feasibility and financial study needed to be done through research in the provincial government and thorough study of the financial and other resources..

Keywords: *museum, museum marketing, Services Marketing, Strategic Marketing System*

01. INTRODUCTION

Museums come as one of the media for people to exhibit and learn their ancestor's heritage or their region's culture where visitors can experience first-handedly the activities and collections being presented in the museums.

The importance of museums in Indonesia to protect cultural artifacts and heritage is explicitly written in *Peraturan Pemerintah Republik Indonesia No. 19 Tahun 1995* about Conservation and Utilization of Cultural Artifacts in Museum. In the article, museum is defined as “an institution, repository, conservatory, and a place to utilize tangible cultural artifacts, along with its environment to support conservation and preservation of the nation's cultural heritage.”

Sadly enough, the statistics of visitors of Indonesian museum shows a decline from period 2006 – 2008 (Pusat Pengelolaan Data dan Sistem Jaringan Depbudpar, 2009). Indonesian museums mainly concentrate on exhibiting collections, not engaging audiences in a live interactive activity. Based on interviews with museum visitors in Museum Sri Baduga and Museum Nasional, Indonesian citizen's perception for museums is not as a source of education, but a tertiary activity for an occasional recreation. Museums in Indonesia are also perceived as monotonous.

Museums have expanded from its conventional function – as an exhibition gallery, to a broader one and please more senses – social, recreation, learning, celebration, enchantment, and visual and sensory (Kotler, Kotler, & Kotler, 1998). The need for museums to innovate and offer various experiences is increasing as museums must attract visitor in order to achieve its goal – educate people through the experiences offered. Not-for-profit museums, a majority in Indonesian museums, need to innovate themselves in order to make museums appealing for visitors, competing against other sources of recreation. They also need to innovate to appeal donors and sponsors to support its operating costs.

Yet, challenges remain in making museums appealing for the general public to come. With the rapid development of other sources of recreation in Indonesia, such as malls, stagnant museums are not appealing and can run out of visitors in the future. This condition requires museum managers and heads to find a strategy to attract visitors and ensures the sustainability of the museum. Specifically, in order to outreach the people and create awareness in the people, a strategic marketing system for each museum is required.

Museum Sri Baduga, as the regional museum of West Java, is working on the same pace as other state owned museums. Changes and renovations were made for the betterment of the

museum. However, a declining number of visitor from year 2010 to 2012 is observed (see Appendix). Based on preliminary interviews to staffs of Sri Baduga, it is known that the museum currently does not have a strategic marketing system or documented marketing planning, even for a short-term period. It is also known that the museum currently does not prioritize the formulation of such system although a vague idea is identified. Sri Baduga recognizes the importance of setting such system, even recognizes up the extent of which target group they are planning to target, yet hasn't dig deep into the group and creates a strategic planning.

02. THEORETICAL FOUNDATION

Museum

In Indonesia, articles governing cultural heritage and museums existed. In Undang-undang No 11 Tahun 2010 about cultural heritage, it is stated in article 18 that “...1) *cultural heritage, artifacts, buildings, and/or moving cultural structure which is owned by the central government, regional government, and/or every people can be kept and/or conserved in museums.* 2) *museums, as mentioned in verse (1), are organizations that serve as preserver, developer, make use of artifacts, buildings, and/or structures that are appointed as cultural heritage or non-cultural heritage, and communicate it to the general public*”(2010). Indonesian government further defines museum in Peraturan Pemerintah nomor 19 Tahun 1995 about conservation and utilization of cultural heritage in museums. In article 1 it is stated that “*museum is an institution, repository, conservatory, and a place to utilize tangible cultural artifacts, along with its environment to support conservation and preservation of the nation's cultural heritage*” (1995).

Strategic Marketing Planning Process

Explained in Kotler, Kotler, & Kotler's Museum Marketing and Strategy (1998), a strategic marketing planning process (SMPP) can be broken down into eight steps:

1. External environmental scan

External environmental scan can be divided into macroenvironment and microenvironment factors. These factors can include PESTEL (Political, Economic, Social, Technological, Environmental, and Legal) to help ease users in analyzing the external environment.

From these external environmental scan, opportunities and threats are derived.

2. Internal environmental scan

Internal environmental scan is used to analyze the organization's internal environment – its capability and resources. The conditions analyzed from the scan can be used to derive the organization's strength and weaknesses.

3. Mission and goal formulation

In this step, organizations decide their own vision, mission, and objectives. This is usually done by top management since it is a direction-setting phase. The results are used for long-term planning and direction-setting.

4. Strategy formulation

In this step, the organization produces a strategy based on the vision, mission, and goals it has drafted before. The strategy provides a more detailed and technical steps in contrast to the missions in the previous steps.

5. Strategic marketing

Strategic marketing aims to develop a branding/image to a targeted group of market. The target market is selected through segmenting the market into distinct groups and target suitable groups. The brand image is then created by making position offerings and developing branding strategies. This corresponds to the marketing research.

6. Marketing research

Marketing research, which corresponds with strategic marketing (and can be simultaneously impacting each other), researches about the market and also the offerings presented by the organization. Researches about the market can be in the form of visitor studies and preliminary background research about the current market, for example.

7. Tactical marketing

Tactical marketing drafts more detailed and technical aspects of the marketing strategy. In this step, organizations determine how to achieve the positioning and brand images they wish to achieve in the previous steps. This is conducted through marketing tools such as 7Ps (Product, Place, Promotion, Price, People, Physical Evidence, and Process) and SERVQUAL dimensions.

8. Monitoring of planning outcomes and implementation

This phase includes the monitoring of the execution of the predesigned marketing plan, auditing the plans and the outcomes, implement the plans, and control the outcomes and the plans. The result of this phase can be used as an additional data or consideration in making or renewing outdated marketing strategies.

03. SERVQUAL

In order to satisfy customers and deliver high-quality services, providers must be able to deliver services according to, if not exceeds, customer expectations. Parasuraman, Zeithaml, & Berry (1985) in their research concluded five determinants of service quality, which are:

1. **Reliability** – Reliability reflects the provider's ability to give the promised service dependably and accurately
2. **Responsiveness** – Responsiveness reflects the provider's willingness to help customer and give prompt feedback
3. **Assurance** – Assurance is the knowledge and the courtesy of employees and their ability to convey trust and confidence
4. **Empathy** – Empathy is the provision of caring, individualized attention from the providers to customers
5. **Tangibles** – Tangibles is the appearance of physical facilities and physical evidences, equipment, personnel, and communication materials

Marketing Mix

Marketing mix is a tool to help marketers develop activities, taking into accounts several elements. It can help organizations to create benefits and value greater than competitor offerings and create brand loyalty (Kotler, Kotler, & Kotler, 1998). Firstly coined by McCarthy (1960) who classifies the marketing mix into People, Place, Price, and Promotion, the marketing mix now varies based on the constructing elements suitable for the industry. The 7Ps extension of marketing mix coined by Booms & Bitner (1981) is commonly used for services marketing. Below is the explanation of each of the dimension as coined by McCarthy (1960) and Booms & Bitner (1981):

1. **Products** – Products are the offerings or objects the customer needs or want.
2. **Place** – Place refers to the distribution channels that enable consumers to experience the product, on-site or off-site.
3. **Price** – Price is the element of cost in the consumer exchange process.
4. **Promotion** – Promotion refers to the activities that attract consumers in an occasional basis.
5. **Participants/People** – Participants include the personnel and the customers. Participants have significant roles in services industry as their behavior significantly impacts the quality of the service.

6. **Physical evidence** – Physical evidence or the environmental factors in the site can affect the customer's perception on the quality of the service given. Physical evidence also helps personnel in delivering services and customers in receiving services.
7. **Process** – In the services industry, the process of a service delivery is also considered in the marketing mix since the process of service delivery is inseparable and highly influential to the perception of the customer as compared to goods.

04. METHODOLOGY

The research methodology is broken down into six steps, starting with problem identification and ends in conclusion & recommendation. **Problem Identification** is done through preliminary interview with the staffs and directors of Museum Sri Baduga. The interview is done unstructured for its nature of exploring the current situation. It aims at identifying the problem in Museum Sri Baduga and resulted in research objective and research question. Proceeding, **Exploratory Research** is conducted in order to gather more information regarding the problem. This is done through literature study, personal in-site observation, and in-depth interview with the directors of Museum Sri Baduga. Literature study is conducted on documents obtained from the museum, preceding publications and thesis, books, and journals. The main book used in this research is *Museum Marketing and Strategy* by Kotler, Kotler, & Kotler. It will result in a hypothesis and a set of preliminary data. **Descriptive Research** follows to structure the information to solve the problem based on the data and hypothesis resulted from exploratory research. Descriptive research will be conducted through comparison from multiple sources of evidence, questionnaires, and environmental scanning. After descriptive research, necessary information is gathered in **Data Collection** step where interviews with visitors as well with staffs, questionnaires, and participant observation will be conducted. The questionnaire is divided into four sections; respondent's background, respondent's visitation and experience, substitution, and expectation-perception questionnaire. The expectation-perception questionnaire is constructed based on the dimensions of SERVQUAL and Marketing Mix. It consists of forty-two questions in each expectation and perception table, scored on a Likert scale. The data gathered from the data collection step will be analyzed in **Data Analysis**. The data analysis follows the SMPP where each step of the SMPP is assigned with a specific analysis method. Below are the analysis method used in this research:

Table 1

Analysis Method Following the Strategic Marketing Planning Process

Strategic Marketing Planning Process	Analysis Method
1. External Environmental Scan	Industry Analysis IFAS/EFAS Matrix Value Chain Analysis TOWS Matrix
2. Internal Environmental Scan	
3. Mission and Goal Formulation	
4. Strategy Formulation	
5. Strategic Marketing	Segmenting, Targeting, Positioning
6. Marketing Research	Questionnaire Result Analysis
7. Tactical Marketing	SERVQUAL Analysis Marketing Mix
8. Monitoring of Planning Outcomes and Implementation	<i>(based on previous step's findings)</i>

Lastly, the findings from the analysis will be concluded in **Conclusion & Recommendation**.

05. RESULTS AND DISCUSSION

The result from the data collection step which includes interview, literature study, and questionnaire is presented below.

SWOT

Interviews were conducted to the museum director, Mrs. Ani Ismarini and museum chief, Mrs. Nita Julianita. Personal observation was also conducted, along with literature study, to triangulate the interview results and construct the result of the strengths, weaknesses, opportunities, and threats for Museum Sri Baduga. The result is presented in the table below.

Table 2
SWOT Table

Strength	Weakness
S1. Definite funding from Provincial Government S2. Accessible location S3. Large collection S4. Wide scope of exhibition themes S5. Compliance of museum conservation facilities standard	W1. Unstructured marketing system W2. Large collection W3. Wide scope of exhibition themes W4. Knowledge of the human resources W5. Motivation of the human resources W6. Little amount of staff W7. Uncertain period length for Museum Director W8. Physical facilities are not safe W9. Information mismatch across museum publication
Opportunity	Threat
O1. National movement "Gerakan Nasional Cinta Museum" O2. Partnership with schools O3. Partnership with universities O4. Competitions O5. "Friends of the Museum" program O6. Relationship building with external communities	T1. HR functions of recruitment are controlled by provincial government T2. Museum visits are not favorable for Indonesians T3. Museum developments are not prioritized by the provincial government T4. Unclear job division between the museum and the provincial government T5. Located not in tourist area

Strategy Formulation

It is concluded that the more prominent factors in Museum Sri Baduga are its weaknesses and opportunities. When given weight and rating (see in Appendix), an IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) can be derived. These factors were plotted to a Grand Strategy Matrix, and the point from Museum Sri Baduga's SFAS lies in Quadrant 2 or the *Stability* strategy quadrant. The stability quadrant means that the organization is in a growing industry, yet is not competent enough to position itself in a competitive advantage. Based on this, it is more advisable for Museum Sri Baduga to develop

the currently existing products in the current market and develop new uses in the existing market for the current products.

Questionnaire Result

Reliability and validity test using Crombach Alpha and criterion validity is conducted on the questionnaire result to check on its validity and reliability. Based on the validity test, it is derived that item number 1 is not valid thus eliminated from the research. Using Crombach Alpha, both questionnaire is reliable.

Profile.

Based on the majority of the respondent's profile and matched with the resources and activities given by the museum director, it is derived that the most suitable market group is students (school and university) aged up to 25 years old that lies in the middle-low to low socio-economic class that like to go to the museum. This target group likes to go to the museum with their friends or with their school as part of the school visit.

Positioning.

Based on the target group, the positioning of the museum should be in relation with academic and educational activities. Seeing that the age group consist of adolescent to young adults, the Museum should also seek to provide fun and excitement to match their preferences. Additionally, since the target group goes to the museum also with their school, it is also important for Museum Sri Baduga to cater the needs of the teachers/school body and attract them. Combining it with the existing vision of Museum Sri Baduga and its SWOT Analysis, Museum Sri Baduga should aim and reaffirm its positioning to be *"the center place where people can learn about Sundanese culture and interactively experience the lessons taught in schools"*. It should reaffirm its position as cultural recreation as it also seek to give fun and exciting experience.

Expectation and Perception.

As explained in the methodology, the questionnaire items are developed from the dimensions of SERVQUAL and Marketing Mix. The answer for the items are then regrouped into the respective dimension in order to conclude the overall score for the dimension.

For each respondent, the overall score of the dimensions is derived by averaging the scores of each item that is clustered into that dimension. After that, the overall score

of the dimensions is derived by averaging all 100 scores for each respective dimension. The calculation is applied to both expectation scores and perception scores. After calculating the average overall score, the gap between the perception and the expectation score is obtained by subtracting the expectation score to the perception score. If the result is a negative number, it means that the expectation of the visitors are unmet. Conversely, if it is a positive number, the visitor's expectation to the museum has been exceeded. The summary of the scores is presented below:

Table 3

Visitor's Overall Score of Museum Sri Baduga's SERVQUAL

Dimension	Expectation	Perception	Gap	Rank
Reliability	4.185	3.105	-1.08	2
Responsiveness	4.176667	3.413333	-0.76333	3
Empathy	3.4675	3.2925	-0.175	5
Assurance	4.2225	3.5225	-0.7	4
Tangibles	4.564	3.352	-1.212	1

Table 4

Visitor's Overall Score of Museum Sri Baduga's Marketing Mix

Dimension	Expectation	Perception	Gap	Rank
Promotion	4.0375	2.89625	-1.14125	2
Price	3.565	3.325	-0.24	7
Place	4.094	2.984	-1.11	3
Products	4.175455	3.124545	-1.05091	4
Process	4.202857	3.475714	-0.72714	5
People	3.993333	3.4	-0.59333	6
Physical Evidence	4.564	3.352	-1.212	1

It can be seen that none of the dimension of the SERVQUAL nor the Marketing Mix exceeds the visitor's expectation. The *Rank* column shows the ranking of the dimension in a *descending* order (meaning that the first ranking dimension has the widest gap). In constructing the marketing strategy, these rankings must be taken into account, showing the priority scale of the dimensions that need improvement.

Strategy Implementation

In order to optimally implement the proposed marketing strategy, there needs to be adjustment in the current system inside Museum Sri Baduga. First proposed change is the organizational structure. Currently the department who is responsible for marketing function, which is the Utilization department, does not have any further division, making the structure shaky and disorganized. The proposed change is to divide the division into four subdivision: events, relationship, publication, and products.

The strategies are also divided into three time periods of execution: short (<3 years), medium (3-5 years), and long (>5 years). This is based on the priority scale and importance of the strategies.

06. CONCLUSION & RECOMMENDATION

Conclusion

From the interview conducted with the museum boards and also with the functional staffs, it is known that Museum Sri Baduga currently has no documented marketing plan. Museum Sri Baduga is currently facing a weak competitive advantage but is seeing a market growth, hence it should focuses on its current products but continue to develop it. Museum Sri Baduga's strategy is mainly **product and market development**.

Based on the questionnaire that was distributed to 100 respondents, the research concluded a target market for Museum Sri Baduga, which is students aged up to 25 years old in the middle-low and low socio-economic level that like to go to the museum. The proposed positioning for Museum Sri Baduga in reaching out the target market is *"the center place where people can learn about Sundanese culture and interactively experience the lessons taught in schools"*.

Based on the questionnaire analysis, it is also derived that currently, the visitor's perception towards Museum Sri Baduga is lower than their expectation. In the SERVQUAL analysis, the dimension "Tangibles" has the widest gap between perception and expectation. In the Marketing Mix analysis, the dimension "Physical Evidence" has the widest gap between perception and expectation.

There needs to be an adjustment in the internal organization to implement these strategies. The utilization department would be more specified with four division below the Chief: relationship manager, event manager, products manager, and publication manager. A timeline was also constructed that are divided into short, medium, and long term realization.

Recommendation

This research recommends Museum Sri Baduga to follow the strategies proposed according to its priority scale. In order for the marketing plan to be executed properly, it is highly recommended for the Museum to also follow the implementation strategy written in this research. However, it is also recommended to conduct further research to support the findings in the research.

For future research, it is recommended to conduct feasibility study by also researching the government perspective, including regulations and also resources in terms of financial measures. Financial feasibility study also need to be done. The items that are measured financially are the proposed strategy and also the financial condition of Museum Sri Baduga now.

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APPENDIX

Footnotes

¹Each footnote number must correspond to the same number in the body of the paper. Some professional journals ask authors to avoid using footnotes and in an undergraduate paper they are almost never necessary.

²As of 2009, I do not recommend using the footnote and endnote features in Word if you want to keep your footnotes in APA format.

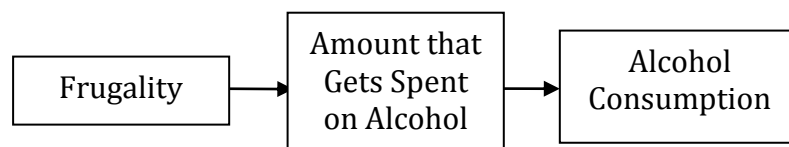


Figure 1. This simple path model, adapted from results in a *Journal of Consumer Behaviour* paper, is an example of a figure.

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DIFFICULTIES FACED BY SRI LANKAN SMALL & MEDIUM SCALE TRAVEL AGENCIES IN SRI LANKA

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Abstract

Sri Lanka tourism is booming with a two digits growth rate since 2010. Small and medium scale travel agencies in Sri Lanka are a vital sector in tourism which has immense contribution to the present tourism growth. Unfortunately, smooth operations and the survival of such travel agencies have been challenged due to various reasons. The main objective of this study was to identify the difficulties faced by small and medium scale travel agencies in Sri Lanka and to make recommendations to overcome them. Consequently sub objectives were: a) to learn operations related difficulties; b) to identify marketing related difficulties; c) to make recommendations on how to overcome such barriers. This research was conducted by using both primary data and secondary data. Primary data was collected using semi-structured face to face interviews and structured questionnaires. Industry reports, book chapters, journal articles and Sri Lanka Tourism Development Authority reports were used as secondary data. The findings of this study indicated that small and medium scale travel agencies are suffering due to: hotel rooms, guides and transport related problems in different levels based on their industry position.

Keywords: *Small and medium scale travel agencies, tourism*

01. INTRODUCTION

At present, tourism is one of the major components of socio-economic sectors in Sri Lanka. With the present development objectives, Sri Lankan government has given much weight upon the tourism sector considering the positive outcome it generates. Sri Lanka, as an island, has all the privileges to develop through tourism as Sri Lanka is blessed with natural, cultural and man-made resources. The growth of Sri Lanka tourism has faced leaps and bounds since tourism was officially introduced to Sri Lanka in 1960's. Tourism industry is also known as a multi-sectorial and multi-faced industry as it is consisted of many sectors namely: transport, accommodation, food & beverages, guiding, entertainment, airlines, travel agents etc.

The contribution of travel agents in the tourism cluster cannot be undermined. Duties and responsibilities of travel agents have grown widely and immensely in parallel to changing needs of the tourist. Some of the services provided by travel agents are: tour planning, organizing, costing, quoting, room reserving, transport arrangements, allocating guides, air tickets reserving, handling charter flights and cruises etc. Millions of tourists obtain the services of travel agents since they facilitate the tourists with their expertise.

Although there are a large number of travel agents registered under SLTDA, few travel agents are making an undue influence over the industry with in their capacity of leading travel agents. As a result, irrespective of the contribution made by the travel agents, the small and medium scale travel agents are facing many difficulties when it comes to operations and marketing.

Problem Statement

There are more than 500 registered travel agencies in Sri Lanka (SLTDA, 2010), out of which a majority of the travel agencies are either small scale or medium scale attracting less than 1000 tourists per annum (SLTDA, 2012). Although, the relative importance of small and medium scale travel agencies is low when compared to big travel agencies, it is important that free and fair market conditions and rules applicable to all travel agencies irrespective of total number of tourist arrivals to protect the free market conditions. It is unfortunate to note that travel agencies are treated differently by the supporting industries: hotel, transport, guiding etc. based on their market position. This situation is not healthy to Sri Lankan tourism when achieving its mid-term goal of attracting 2.5 million tourists in 2016.

Objectives of the Study

The main objective of this study was to identify the difficulties faced by small and medium scale travel agencies in Sri Lanka and to make recommendations to overcome them. Consequently sub objectives were: a) to learn operations related difficulties; b) to identify marketing related difficulties; c) to make recommendations on how to overcome such barriers.

02. LITERATURE REVIEW

Small and medium sized business

US Market Research Report (2010) defined a small scale business as single site firms with fewer than 25 employees. All small businesses are also “firms”. Accordingly it is said that, small scale travel agencies are enterprises that involve in travel related business having less than 25 employees. Small and medium enterprises (SMEs) have been identified as an important strategic sector for promoting growth and social development in Sri Lanka over the years; SMEs have gained wide recognition as a major source of employment, income generation, poverty alleviation and regional development. (United nation, 2003).

Small & medium scale industries SMEs play a vital role in any country & contribute to enlarge economy in numerous ways. In Sri Lanka more than 90 percent of tourism related business ventures are SMEs & have contributed to the economy in numerous ways. The entrepreneurs have to go through a risk bearing difficult journey in running their businesses” (Gnanapala .W, 2008). Small & medium sized enterprises enact a unique role in driving an economy towards the future. In most developing countries SMEs which make up majority of the industrial sector, also make a significant contribution to the Gross Domestic Production (GDP) and employment. This is visible through the role played by the SMEs in the Sri Lankan economy. Many researchers identify financial management as a key to the survival & the successful development of this invaluable contributor. However, the financial management practices of SMEs in Sri Lanka & the relationship between financial management & financial performance of SMEs remain uncharted in the world of research. (Perera and Kehelwalatenna, 2008).

Characteristics of Small Travel Agencies

The findings indicate that being small in size and simple structure, short period of time in Business operation, lack of management experience and market recognition has formed the

major characteristics of these SMEs. Furthermore, they are facing an increasingly competitive environment and their sustainability is being threatened by a continuously decreasing market share and reducing profit levels. (Hanqin and Alison, 2007).

Problems and difficulties of small and medium scales Business

According to Sing G. (2002) that there are many issues with Small and medium enterprises, so this situation also affect to small and medium travel agencies. Competition among Travel Agencies; the travel agencies are in very competition environment. Therefore individual small and travel agencies have to face huge compete. So many authors have shown this situation. "Travel agents are currently facing keen competition. They compete not only on pricing, but also the variety of services offered, including designing personalized tour itineraries, booking of hotels and sightseeing activities, etc". (Stephen Ip, 2005). Madhup (2010) has written to Indian weekender web site that "a common perception is that booking through travel agent has to be expensive and people think that travel agents hide something from them and that it will be cheaper to book online".

"With the competition of tour industry, small travel agencies should try to improve their promotion to enhance their fame among customers and marketing share. However, small travel agencies have limited money to put on promotion". (Sun, 2003). In general travel agents choose not to continue their business because of personal reasons, commercial decisions, conflicting views on business strategies among partners, or unfavourable external economic environment, (Gregory, 2010). According to him that many travel agencies have to close down, because the many external factors that are hotels, transport providers, bank, and also higher competition in the market.

Problems and Difficulties of Small and Medium Scales Business

Jial.z.z. (2009) has shown the various aspects of the difficulties which small travel agencies were facing in Shenyang and he has written those difficulties in problem statement. All the problems are resulted from two aspects. Firstly, there is no network cooperation among small travel agencies in Shenyang, which will lead to promotion disadvantages and a lack of resource sharing, which makes customers lose confidence and understanding of these small travel agencies. As a result, small travel agencies will cover a small marketing with a lower efficiency. Secondly, present tour agency industry work distribution system will make small agencies locate themselves in an unclear position which will lead to a fierce competition or price war among agencies that will strongly jeopardize the development of tour industry in

Shenyang. So as not to make these small travel agencies accessory in the competition accompanied by China entering WTO, it is very necessary to analyze the development way out for the small travel agencies”.

Gregory (2010). has mention is that “in general travel agents choose not to continue their business because of personal reasons, commercial decisions, conflicting views on business strategies among partners, or unfavourable external economic environment”.

03. MATERIALS AND METHODS

Data collection methods

This study is based on both primary and secondary data. Considering the types and the quality of data, the researcher used both qualitative descriptive methods to analyze the data. Primary data were collected using face-to-face interviews, and focus group. Secondary data were collected using previous publications, journal articles, scholar articles, reports and book chapters.

Population and sample

The population of this study is 80 numbers of small and medium sized travel agents who are the members of Sri Lanka Association of Inbound Travel Operators (SLAITO). Taking the entire registered travel agents was not practical as most of small and medium scale travel agencies were not properly functioning. Having considered the type of the research problems, the researcher selected 08 numbers of small and medium sized travel agents as the sample of this research. The travel agents were: & Beyond, Miraculous Holidays, Beyond Escapes, Ecowave, Noramix, Butterfly, Asian Wings and LECS travels.

Operations managers or operations executives of the each travel agent were interview to identify their operations related issues. Marketing managers of each travel agent were interviewed to note the marketing related difficulties. In addition to that three (03) focus group discussions were conducted with the operational level employees of four (04) travel agents to grasp the insight of the operational issues following the interviews of operations managers.

Table 1: Sample and the number of interviews

Travel Agent	No. of face to face interviews	No. of focus group interviews
1. & Beyond	02	01
2. Miraculous Holidays	02	01
3. Beyond Escapes	02	01
4. Ecowave	02	01
5. LECS	02	-
6. Butterfly	02	-
7. Asian Wings	02	-
8. Noramix	02	-

Source: Survey data, 2013

04. RESULTS

Marketing related difficulties

- i. Cannot attend international travel marts due to high cost

World's best travel trade shows take place in Europe, America, Middle East & Pacific countries; IFTM Top Resa (France), WTM (UK), ITB (Berlin), Fitur (Spain), ATB (UAE), ATE (Australia) (Travalco.com, 2013) etc. The participation cost to one of such travel marts is almost unbearable to small and middle scale travel agents. The high registration cost, air fare, accommodation and other technical difficulties always discourage the small and middle scale travel agents. As a result, the SME sector finds it very hard to develop good relationships with new tour operators.

- ii. Cannot place advertisements in international travel magazines

Most of the travellers develop their travel motives through international travel magazines (Bailie, 1980). Placing tour advertisements popular travel magazines are always fruitful. Most popular travel magazines in the world includes: Traveller (National Geography), Afar, Travel + Leisure, Coastal Living, Conde Nast Traveler, Backpacker, National Geographic, Global

Traveler (Amixima, 2013). However, placing an advertisement in such a travel magazine has always been a discouraging factor due to the high cost involvement.

iii. No free FAM trips

Conducting familiarization (FAM) trips is one of the most popular promotional methods used by travel agencies. The FAM trips are offered to the operators on complimentary basis or they are charged a nominal fee for the entire tour. The travel agents who invite the foreign principals bear any cost involved in the tour. With all financial difficulties, small and medium scale travel agencies reserve an insignificant amount for FAM trips, which is not sufficient to host a group of tour operators or journalists within a destination.

iv. Small, unappealing offices

In his book, *Travel and Tourism Management*, Foster (1983) mentioned that the layout of a travel agency represents the quality of the service they are rendering. Through observation it was noted that most of the travel agencies do not have sufficient space to continue their operations smoothly. Also, the offices lack comfortable chairs and sofas for clients and other customers to sit. Further, one tour executive mentioned that they are not inviting their clients to the office, but book a separate meeting place, preferably a hotel, to discuss any queries.

v. Name does not appear in operator's brochures

Two travel agencies interviewed by the researcher have contracts with very popular tour operators in Europe. However, unlike other operators, these operators do not print the name of their local travel partners in their international brochures. It also hinders the local travel agent's name being popularised.

vi. Unethical competition & marketing

All the travel agencies did complain about the unethical behaviour of large scale travel agencies in Sri Lanka. For examples, according to travel agencies, some large scale operators who have both travel agencies and hotels try to track the names of the operators who are working with small and medium scale travel agencies through hotel reservation vouchers. The large scale travel agents thereafter make visits to the operators in generating countries and use different strategies to get the operators to their side.

Operations related difficulties

i. Hotel room availability (allotments)

Securing suitable accommodations is an important duty of a travel agent. All the travel agents are trying to secure the best accommodations for their clients according to the taste and budget of the clients. However, all the interviewed travel agents complained that large scale travel agents are securing allotments for their clients with a minimum release period, restricting their room reservations. Such allotments are made at the beginning of the season by the large scale travel agents having entered in to contracts with well reputed tour operators in the world. As a result small and medium scale travel agents loose the opportunity to secure better rooms at better hotels for their clients during the peak seasons at high demanded hotels.

ii. Higher hotel rates

When a free individual tourist (FIT) is planning a vacation in Sri Lanka he or she sends requests to couple of travel agents for a quote. Since there are not many deviations in product supplied and the standard of the same, the clients pay more attention to the price/quote. Consequently, there is a price war in between travel agencies. Having a high volume of tourists at hand, large scale travel agents are in a better position to bargain with the hoteliers. The hoteliers offer very attractive rates to large scale travel agents since the business is guaranteed. Unfortunately, the hotels present higher rates to small and medium scale travel agents making them far weaker player in the travel agency business.

iii. No credit facilities from hotels

Some small and medium scale travel agents do not receive money from their operators before the clients' arrival. But the hotels request at least 50% payment from the total bill at the time of the reservation and the balance to be paid before the departure of the guest. Without getting money from the operator the small and medium scale travel agents find it difficult to make the relevant payments on time. However, on the other hand large scale travel agents are given average one month credit period.

iv. Longer cancellation periods

Some hotels practice different cancellation policies for different travel agents. For example, for a large scale travel agent, the average cancellation periods and conditions are as follows;

Table 02: Cancellation Policies

Days	Cancellation
Up to 14 days	No Charge
14 – 7	25%
Less than 7 days	50 %
Less than 3 days or no - shows	01 night charge on the basis booked.

Source: Survey data, 2013

The average cancellation periods and conditions for small and medium scale travel agents are;

Table 03: Cancellation Policies

Days	Cancellation
Up to 14 days	25%
14 – 7	50%
Less than 7 days	100 %

Source: Survey data, 2013

So it is evident that small and medium scale travel agents suffering due to different cancellation policies articulated by different hotels.

v. Chauffeur & guide accommodations

All hotels are bound to give chauffeur and guide accommodations either on free of charge (FOC) basis or at a nominal rate for the chauffeurs and guides accompanying guest/s. Once the hotels are overbooked or running with full occupancy situations during the peak periods, it is chauffeurs and guide who are initially transferred to close by hotels. Even during these situations, the chauffeurs and guides who are working to small and medium scale travel agents are sent out first ensuring the employees of large scale travel agents get in house accommodations.

vi. Guides (unlicensed, low quality)

All the tourists having a tour in Sri Lanka through a travel agent has to be accompanied by a guide. The guides have an important role in making the tour a success. The guides use their knowledge, experience and contacts in this regards. The number of qualified chauffeur and national guides are less than the market requirement. So the guides tend to work to travel agencies which look after them best. Without being able to provide many facilities to the

guides, the small and medium scale travel agents loose quality guides to large scale travel agents. To handle this situation, most of the small and medium scale travel agents tend to hire unlicensed chauffeurs to conduct the tours. The unlicensed, on the other hand, do not possess right knowledge, skills and attitudes to conduct a tour as they do not have proper education related to tourism or tours. The ultimate result is that dissatisfied tourists leaving the country with a promise of a definite complaint.

vii. Independent chauffeurs seek big players & higher rates upon completion

Small and medium scale travel agents cannot maintain their own fleet of vehicles, neither a pool of guides to facilitate the clients. Instead they hire the chauffeurs on assignment basis. If the chauffeurs are working to a large scale travel agent, they are paid within one (01) month (preferably after two weeks) upon completion of the tour. But when these chauffeurs are working to small and medium scale travel agents they demand a fuel advance (15% - 20% of the total contracted rate) on the very first day and demand the full amount in two weeks upon completion of the tour. As mentioned earlier, the small and medium scale travel agents get their bills settled with the operators in two to four weeks of time. So it is clear that chauffeurs making unnecessary pressure upon the agents.

viii. Employee qualifications

There are not many academically and professionally qualified professionals in the travel and tourism field. Also, only two universities are offering courses according to employers' expectations. Subsequently, there is a high demand for such employees in the travel and tourism industry. Large scale travel agencies are always hiring qualified employees paying the highest possible salaries in the industry and with other fringe benefits. Small and medium scale travel agents cannot attract qualified employees as they are paying the average industry salary.

ix. Head hunting

Qualified employees working under small and medium scale travel agents always receive lucrative offers from well-reputed travel agents. Young executives, who are squeezed with financial burdens, always tend to accept such offers from the opponent travel agents. Although small and medium scale travel agents look after their qualified employees with their best attention, there is a huge labour turnover at the operations level in small and medium scale travel agents.

x. Loosing operators

The biggest threat to the long term survival of small and medium scale travel agents is loss of operators to large scale travel agents. It was discovered that most of the small and medium scale travel agents interviewed, do not print operator's name in any of the vouchers which are sent out of the company. According to respondents, some large scale travel agencies which own hotels get information from the hotel vouchers about the operators that small and medium scale travel agents are contacting. There were cases that large scale travel agents meeting the operators in foreign countries and attempting to get the operators in to their baskets. This is further explained under marketing difficulties.

05. CONCLUSION AND RECOMMENDATION

Travel agencies are equally important to Sri Lanka Tourism considering the present growth. The contribution made by each travel agency is significant to Sri Lanka and is a new step towards achieving the country objective. The main problems faced by travel agencies come in two dimensions: operations related and marketing related. The operations related difficulties affect the smooth operations of a travel agency and marketing related difficulties hinders the growth of a travel agency.

The operations related difficulties include: non-availability of hotel rooms, high hotel room rates, no credit facilities from suppliers, longer cancellation periods from hotels, lack of quality chauffeurs and guides, high employee turnover and lack of qualified employees and loss of tour operators to large scale competitors. The marketing related difficulties, on the other hand are: cannot attend international travel marts, cannot place advertisements in international travel magazines, lack of funds for FAM trips, small and unappealing office layouts, unethical competition. These factors affect the performance of small and medium scale travel agencies.

Following recommendations are forwarded to small and medium scale travel agencies to overcome the difficulties:

- Sri Lanka Tourism Promotion Bureau should assist the travel agencies who find it difficult to participate in international travel marts by sponsoring for their air tickets or providing stalls for travel agents.
- National tourism organization must invite popular writers to travel magazines to Sri Lanka and making them write about Sri Lanka.

- FAM trips need to be done by collective basis by the necessary travel agencies to bear the cost.
- Government and SLAITO should give more attention regarding difficulties and problems of small and medium travel agencies.
- Workshops should be held for Small and medium sized travel agencies about proper internal management of travel agencies.
- Tax reduction and tax release period should be given to Small and medium sized travel agencies.
- Government should give more supports to participate travels trade fair in overseas for Small and medium sized travel agencies.
- Government should introduce a scheme to help the travel agencies that have financial problems.
- The hotels should make aware of the importance of small and medium scale travel agencies.
 - There should be some limitation for hotels' room allotments for large scales companies.
 - Hotels should be awareness about the importance of Small and medium sized travel agencies.

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[41]

TYPOLOGIES OF MODERN TOURISM AND MODERN TOURISTS: IMPLICATIONS FOR SUSTAINABLE TOURISM PLANNING

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Abstract

This paper uses information about the modern tourism sector to prescribe feasible initiatives by which societies can plan competitive and sustainable or 'green' tourism sectors. Tourism is among the world's most robust and resilient activity sectors. Its high multifactor productivity level, coupled with value-added benefits, convince countries to invest significantly in planning a competitive tourism sector. The rich pool of theoretical and empirical tourism literature shows a complex typology of modern tourism genres. Discernible from the genres is a profile of 'the modern tourist,' with unique characteristics that tourism planning must take into consideration. Also, tourism exerts pressure, sometimes severely, on society's environmental or life-support resources, viz: air, water, land, flora and fauna. For tourism to be profitable and sustainable, it is imperative that its pressure on the environment is kept to a minimum. To achieve this, it is necessary to identify the key drivers of tourism as a multi-sector activity. These drivers can be disaggregated and clustered according to political, environmental, techonomic and psycho-social goal sectors of society. They can also be stratified based on whether they are internal or external to each society. In the same sense, the implications of tourism for sustainable tourism planning should be delineated, and this paper uses the sustainability pentagon framework for this delineation. Ultimately, the clustering of tourism drivers, and the delineation of tourism's sustainability implications, are used as a platform to prescribe tourism planning initiatives for implementation by the appropriate stakeholders in the society.

Keywords: *Modern tourism genres, modern tourist, tourism drivers, sustainable tourism planning*

01. INTRODUCTION

Travel in one form or another, and motivated by one or more of multiple reasons, has been a premier primordial human activity. In the modern or post-industrial world, enabled by various intertwined political, economic, technological and enlightenment factors and advancements, one type of travel, which has come to be known as tourism, has perhaps become the most popular of all types of travel. As a result, tourism is now a subject of versatile scholarly inquiries, and, most importantly, a priority of political-economic decisions at all levels of government worldwide. Tourism is a robust and resilient engine of economic growth and development. Shanks (2007) called it “the world’s largest export,” adding that “it has enormous growth potential;” hence, “almost every country desires an expansion in this sector.” Tourism is defined variously in the pool of conceptual and empirical tourism literature. For this paper, tourism is defined as “the temporary movement of people to destinations outside their normal places of work and residence,” (Mathieson and Wall, 1982) for a period of “not more than one year” (WTO, 1991), “to seek personal rewards (Gunn and Var, 2002) “other than for exercise of an activity remunerated from the place visited” (WTO, *ibid*).

Scholarly studies and reviews of tourism in the modern era have highlighted all dimensions of the phenomenon, ranging from the good to the bad and to the ugly. Such studies have depicted an interesting but complex (and this paper adds, ever evolving) image of the tourism industry and a similarly complex profile of what is termed the modern tourist (Goeldner and Ritchie, 2009; Cohen, 2002; Urry, 1990; Boorstin, 1987; Eco, 1983; MacCannell, 1976; Trease, 1967). Morshed (2013) opined that the modern tourist is “the new but pivotal figure of mainstream tourism industry.” The thrust of this paper is on the implications of both the complex phenomenon (tourism) and its main target (tourist) for planning a robust, sustainable or green and profitable tourism industry or sector in a society. Planning a sustainable tourism sector is imperative in and for communities that desire to be competitive and get a fair share of the massive global tourism pie.

Using information from the vast conceptual and empirical tourism literature, first, this paper presents a ‘generic’ typology of tourism genres. Second, a qualitative or descriptive profile of the modern tourist is presented. Third, the paper delineates the key drivers of modern tourism, and disaggregates them based on society’s four main goal or value clusters, and whether the drivers are internal or external to a society. Fourth, the paper identifies the

implications of tourism for sustainable tourism planning. The implications are clustered, based on the five pillars of the sustainability pentagon framework. Fifth, using the tourism drivers and tourism's sustainability implications as a platform, specific initiatives are suggested for implementation by the appropriate stakeholders in a society that aims for a competitive, profitable and sustainable tourism sector.

A 'Generic' Typology of Modern Tourism Genres

Table 1 shows the generic typology of modern tourism genres compiled or aggregated from different types of tourism identified in the tourism literature (see, for example, Gibb, 2011; Goeldner and Ritchie, 2009; Page and Connell, 2009; Mason, 2008; Adams, 2006; Gunn and Var, 2002; Christie and Crompton, 2001). It must be admitted that extant genres of tourism are too many to capture in any one paper. The main reason for this 'deluge' of tourism genres is that, in the modern world, any reason or purpose of travel is a potential seed for a genre of tourism, for example, "travelers who are drawn to areas of political turmoil" undertake 'danger-zone' (Adams, 2006); "people abroad with tenuous links with Britain try to sue for libel" in what

Gibb's (2012:24) termed "libel tourism;" slum tourism (Melik, 2012); secret tourism (Stokes, 2012); geotourism (National Geographic Center for Sustainable Destinations, n.d.); 'staycation' (Alban, 2008); etcetera.

The common denominator of all the identifiable tourism genres is that the motive of travel or tourism, which Gunn and Var (2002) termed personal rewards. Based on this reasoning, Table 1 is a pragmatic aggregation or clustering of modern tourism genres. The thematic motives are the pursuit of entertainment (leisure), the exploration of nature (environment stewardship), and the quest for knowledge and empowerment (capacity).

Table 1
3-E A 'generic' typology of modern tourism genres

Leisure/Entertainment	Environment (stewardship)	Empowerment
<ul style="list-style-type: none"> . Leisure (sand, sea, sun, sex) . Sports tourism . Nude tourism . Narco tourism (narcotics) . Family and friends (reunions) . Space tourism . Danger-zone tourism . Techno-tourism . Secret tourism . Day/short cruises 	<ul style="list-style-type: none"> . Ecotourism . Geotourism . Nature tourism/expeditions . Space tourism 	<ul style="list-style-type: none"> . Education/excursions . Spiritual pilgrimage . Health tourism . Culture . Reunions of family/friends . Space tourism . Pro-poor/Poverty tourism (service to underprivileged) . Techno-tourism . War tourism . Libel tourism . Slum tourism . Geotourism

A Qualitative Profile of the Modern Tourist

Table 2 presents a qualitative or descriptive profile of the modern tourist, using information gleaned from the tourism. Examples of descriptors of each trait are cited. It is important to note that there are definitional overlaps between some of the traits, but they collectively depict the modern tourist. It should be added that, for all the traits of the modern tourist, the main justification for what tourists do at tourism destinations is value (material or psychological return or satisfaction) for their investments of money, time and energy.

Table 2

Qualitative traits of the modern tourists

Characteristics	Examples of Descriptors
Adventurous, curious, inquisitive	<ul style="list-style-type: none"> . Desirous to see, explore, learn about, engage in and experience culture (people, events, artifacts, places) at the destination . Take chances and risks would rarely (or dire not) take at home
Active (agenda)	<ul style="list-style-type: none"> . Dynamic, often overloaded, agenda . Time-sensitive schedule at destination, so stay on-the-go
Accommodating/friendly/tolerant	<ul style="list-style-type: none"> . Quick to help and give consideration to others (elderly, children, families, handicapped) . Ready/willing to share. Understand that they are not in their private territory and/or home country
Attentive/observant	<ul style="list-style-type: none"> . Document memories of sights, events and people at destination, using modern technology . Cognitive mapping of places, events and experiences
Cost/budget-conscious	<ul style="list-style-type: none"> . Bargain deals (hotels, transportation, entertainment, shopping, etc.) . Manage resources well, with no room for extravagance . Budget is pre-worked to minutiae
Civil (subscribes to the rule-of-law)	<ul style="list-style-type: none"> . Investigate and comply with destination laws and protocols . Respect destination traditions and practices, however different from theirs

Demanding	. Insist on quality, respectable and courteous service, as part of value for money
Daring	. Engage in activities they normally would not do, or be shy to do at 'home'
Discerning (taste conscious)	. Will not settle for inferior, sub-standard or mediocre products and services
Passionate	. Derive thrill and pleasure in activities and experiences at destinations because these are deliberately selected (and paid for) as reasons for travel
Prudent	. Cautious in destination environment (especially first timers) . Conscious of consequences (legal and moral) of action
Informed (do their homework)	. Collect information about destination via Internet, TV commercials, official gazettes, social networks and word-of-mouth
Time-conscious	. Plan full schedule of events for limited time at destination . Value time, and make the most of it, at paid activities . Conscious of the financial cost of time, especially time wasted or lost

Key Drivers of Tourism

This section of the paper delineates the key drivers of modern tourism, and disaggregates them based on society's four main goal or value clusters, and whether they are internal or external to each society. Drivers are factors that influence tourism as a multi-sectoral activity. The analytical framework for aggregating what the paper deems to be pertinent drivers in the wide literature is society's four goal clusters, inferred from Catanese and Snyder (1988). The

clusters are political, economic, environmental and psychosocial. Table 3 shows the key drivers of tourism. They are clustered using the four societal goals, and based on whether they are internal or external to the society trying to grow a sustainable tourism industry.

Table 3

Key tourism drivers, clustered according to societal goals

Societal Goal Clusters	Examples of Internal Drivers	Examples of External Drivers
Political	<ul style="list-style-type: none"> . Clear tourism vision, policy, philosophy and political will . Institutional and legal frameworks for tourism development . Political and human freedoms and rights . Safety of lives and property . Transparent and accountable governance 	<ul style="list-style-type: none"> . Cordial international relations . Membership of global tourism organizations . Shared political affinity or heritage (e.g., colonialism) . Credibility of diplomatic emissaries and clarity of tourism message and plan
Technomic (Economic and technological)	<ul style="list-style-type: none"> . Local investment capital . Purchasing power/disposable income . Credit and lending facilities, especially for micro and small entrepreneurs . Business associations to promote tourism . Safety, reliability and insurance of finance and 	<ul style="list-style-type: none"> . Foreign Direct Investment . Global economic boom and affluence . Support or certification by global network of tourism promotion agencies . Bi- and multi-lateral economic agreements

	banking services	
Environmental (Natural and physical/built)	<ul style="list-style-type: none"> . Historic, ecological, heritage and archeological treasures . Modern transportation, banking and hospitality infrastructure and technology . Good destination transportation choices, connectivity, and affordability . Uniquely attractive destination climate and landscape 	<ul style="list-style-type: none"> . Good international transportation choices, connectivity, and affordability . Shared international political and environmental borders or boundaries . Membership of international environmental organizations
Psychosocial	<ul style="list-style-type: none"> . Quality and quantity of tourism workforce . External popularity of destination culture, cuisine and traditions . Citizens' sense of patriotism and pride at destination . Hospitality of local culture or groups 	<ul style="list-style-type: none"> . Perceptions, impressions and image of destination by outsiders . Bi- and multi-lateral human services programs and projects . Political, historic and cultural affinities with destinations

Key Implications of Modern Tourism for Sustainable Tourism Planning

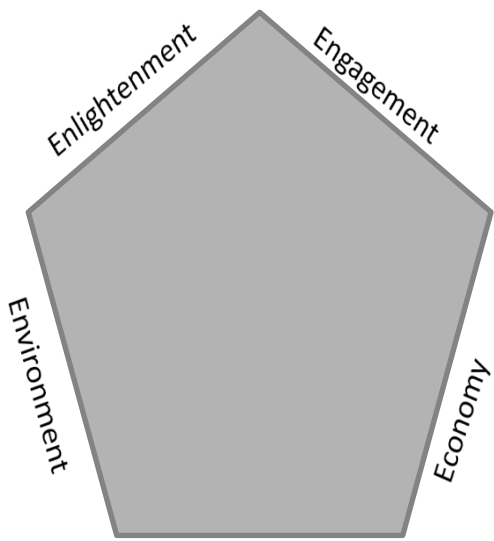
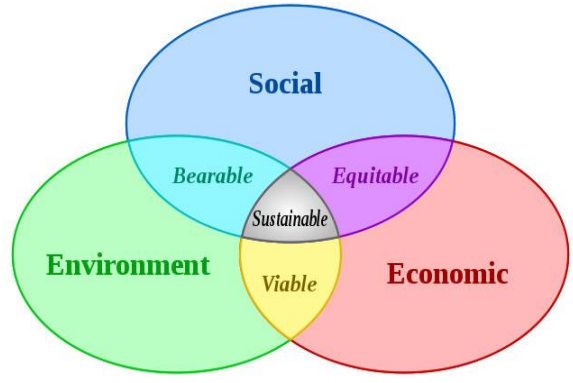
This paper avoids the polemics of the conceptual sustainability discord and contends that all human activities have direct and indirect, mild and severe, immediate and deferred implications for society's sustainability. In this sense, as an activity, modern tourism, with all its intricate dimensions, is no different from logging in the Amazon, deforestation in the Congo basin, or oil exploration in Alaska. The paper ratiocinates that human activities are fueled by need or demand, needs are met through production activities, and production is

directly and indirectly dependent on nature's raw materials or resources, also known as life-support systems (LSS), which are land, air, water, flora and fauna. These resources constitute the energy system on which all life forms and activities depend. In this paper, therefore, the frontal challenge of sustainable tourism planning, regardless of the definition of sustainability, is how society creatively and ingeniously safeguards the productive capacity of nature (environment), so that people can tap into nature in order to meet society's inescapable need for tourism (and other growth-related) products, goods and services, especially with tourism's potency to spur growth and development.

The sustainability framework used in this paper to illustrate the implications is the sustainability pentagon (Kolo, 2010). This framework is a variant of the classic and world-renowned Brundtland Commission's triple-bottom-line (TBL) sustainability pillars (WCED, 1987). Both the pentagon and TBL frameworks are shown in Figure 1. Other noteworthy sustainability frameworks in the literature are the sustainability prism for land use planning (Berke et al., 2006), and Randolph's framework of five sustainability objectives (Randolph, 2004). The pentagon framework is used because of its contention that, from an implementation or operationalization standpoint, the three "Es" of the TBL framework (Economy, Environment and Equity) are necessary but insufficient strategic ideals or goals of sustainability planning. The pentagon expands the three "Es" to five, with Engagement and Enlightenment as the two added "Es," which are imperative to implement sustainability initiatives (policies, plans, programs and projects) cost-effectively in any society. Using the pentagon framework, examples of the implications of tourism for sustainable tourism planning are illustrated in Table 4. Implications here do not mean the advantages or benefits of tourism, rather, they are what modern tourism would require communities to be aware of, and attend to, in their quest for a sustainable tourism sector or industry. These would be indicators, internal and/or external to the community (as in Table 3), of what tourism policies and plans must address, and what the responsibilities and tasks for the various stakeholders in the society would be (as in Table 5).

Figure 1

Sustainability Pentagon and Brundtland Commission's TBL Frameworks

Sustainability Pentagon's 5-E Pillars	Brundtland Commission's 3-E TBL Pillars
 <p style="text-align: center;">Sustainable Development</p> <p style="text-align: center;">Equity</p> <p>Source: Kolo (2010)</p>	 <p>Source: http://en.wikipedia.org/wiki/Sustainable_development</p>

In order to achieve a sustainable or green tourism sector that caters to the needs of the modern tourist, all stakeholders in the modern tourism sector need to comprehend the critical implications of modern tourism for society's natural resource base (LSS), and then act accordingly to protect the productive capacity of the resources to meet the tourism needs of current and future generations. Essentially, the critical issue addressed by Table 4 is what the modern tourist, hence modern tourism, would mean for societies, and all stakeholders, that aim to plan or establish sustainable tourism sectors whose negative externalities on the environment or LSS would be minimal to nil. Where the imperatives of growth and

development would generate externalities, sustainable tourism planning would require governments and other relevant parties or stakeholders to develop feasible mitigation plans for those externalities.

Table 4

Examples of key implications of modern tourism for sustainable tourism planning

Sustainability Pentagon Pillars	Examples of implications of modern tourism
Economy	<ul style="list-style-type: none"> . Huge demand for tourism jobs, services and products . Massive demand for and/or consumption of land and water to provide tourism products and services . Greater pressure and impact on air, water and biodiversity quality by tourists and tourism services and products . Establishment of an enabling environment for tourism investment and entrepreneurship
Environment <i>(Built and natural)</i>	<ul style="list-style-type: none"> . Research and databases on society's environmental or natural resources . Environmental planning, management, outreach and participation . Environmental legislation and management institutions . Compliance with local, national and international environmental standards (energy, water quality, air quality, biodiversity protection, waste management, heritage protection, etc.) . Protection of LSS and property from environmental hazards
Equity	<ul style="list-style-type: none"> . Policies and legislation for equity for all stakeholders (level-playing field without discrimination on any basis) . Equal access to tourism resources, opportunities, services and products . Protection of all stakeholders (public trust doctrine) from the hazards and negative externalities of tourism (human and drug trafficking, social

	<p>pathologies, etc.)</p> <p>. Institutional framework to enforce legislation and policies</p>
Engagement	<p>. Legislation, policies and programs to involve all stakeholders (interested parties) in tourism planning process</p> <p>. Decentralized institutional framework for stakeholder participation</p> <p>. Policies, programs, projects and incentives for citizen engagement in the tourism sector</p>
Enlightenment	<p>. Legislation, policies and programs to enlighten or educate all stakeholders about the tourism sector and planning process</p> <p>. Decentralized institutional framework for stakeholder enlightenment (information clearinghouses, community outreach, grassroots tourism awareness campaigns, etc.)</p> <p>. Policies, programs, projects and incentives for citizen awareness about the tourism sector's benefits, opportunities, impacts and hazards</p>

For a sustainable tourism sector in any society, one that harmonizes the demands of the modern tourist with nature's capacity to enable producers to meet the demands, all societal stakeholders need to perform their roles responsibly and accordingly, in safeguarding the productive capacity of society's LSS. The critical issue addressed by Table 5 is what the roles or tasks of each stakeholder sector would be, in the process of sustainable tourism planning. It must be stated that the roles overlap, are continuous or iterative, are complement or mutually reinforcing, but a clear understanding of the roles by the various stakeholders is crucial for each stakeholder to play their designated roles responsibly, accountably and effectively.

Table 5

Sustainable tourism planning roles and initiatives by societal stakeholder sectors

	Examples of roles of main stakeholder sectors			
Sustainability Pentagon Pillars	Public	Corporate (Private)	Philanthropic (Non-profit)	Grassroots (Citizens)
Economy (see Table 4 for implications)	<ul style="list-style-type: none"> . Adopt categorical policies and legislation to create an enabling environment for sustainable tourism (planning, investment, etc.) . Establish decentralized institutional structures to implement sustainable tourism policies, plans, programs and projects . Integrate tourism policies with national economic development policies on employment, service and product 	<ul style="list-style-type: none"> . Invest in research and development for green tourism products, goods and services . Endorse, adopt and adapt national and international initiatives and best practices for sustainable tourism . Fund, undertake or sponsor green tourism events, research, inventions, etc. 	<ul style="list-style-type: none"> . Provide small green tourism enterprises with training, education, technical assistance, credit counseling, business mentorship and research data . Advocate and lobby for ‘progressive’ and equitable green tourism policies and plans . Initiate or support stakeholder partnerships and joint ventures for green tourism 	<ul style="list-style-type: none"> . Patronize, embrace and support green tourism products, goods, services, policies and plans . Produce quality and standardized green tourism goods and services for local and foreign consumption . Aggressively pursue investment and entrepreneurial opportunities in green tourism by government and other stakeholders

	<p>quality, standards, controls, reporting, etc.)</p> <p>. Formulate short- and long-term strategic tourism plans, with levels of service standards for all LSS</p> <p>. Mobilize, involve and energize all stakeholders in the tourism planning process</p> <p>. Establish dedicated revenue source(s) for sustainable tourism development</p> <p>. Endorse, adopt and adapt international tourism treatises, standards and best practices</p>			
<p>Environment</p> <p><i>(Built and</i> </p>	<p>. Conduct and fund comprehensive and sustained research</p>	<p>. Invest directly or collaboratively in green tourism</p>	<p>. Lobby government for policies, laws</p>	<p>. Lobby policy makers to mandate green</p>

<p><i>natural)</i></p> <p><i>(see Table 4 for implications)</i></p>	<p>and databases on society's environmental or natural resources and tourism</p> <p>. Use modern technology to formulate, store and update environmental and infrastructure plans with levels of service standards</p>	<p>products, goods and services, that meet international and best practice standards</p> <p>. Adopt, endorse and promote green tourism treatises, products, goods, services and programs</p>	<p>and programs to promote green tourism projects and protect the environment</p> <p>. Collaborate with all stakeholders to identify and protect national historic, ecological, heritage and archeological treasures</p>	<p>products, goods and services in the tourism industry</p> <p>. Patronize and mobilize support for tourism firms that use green products, goods and services</p> <p>. Use green products to build personal projects</p>
<p>Equity</p> <p><i>(see Table 4 for implications)</i></p>	<p>. Adopt clear equity and environmental justice policies and legislation for the tourism sector</p> <p>. Establish institutional structures to enforce equity legislation and policies</p>	<p>. Adopt voluntary initiatives to promote 'equity' in the tourism sector</p> <p>. Ensure fair representation of all stakeholders on corporate tourism boards and committees</p> <p>. Provide technical and management mentorship for small green tourism</p>	<p>. Lobby policy makers and corporate entities for policies, laws and programs to promote equity in tourism</p> <p>. Initiate and support events to inform the public of business opportunities in green tourism</p> <p>. Provide technical and 'legal' assistance</p>	<p>. Lobby policy makers and corporate entities to uphold equity and justice in tourism</p> <p>. Volunteer for, or join, programs and organizations that advocate equity in the tourism</p>

		enterprises . Patronize small green tourism enterprises via direct procurement or sub-contracting of services and products	and advice for small firms in the green tourism industry . Mobilize citizens to engage in the tourism planning process	
Engagement <i>(see Table 4 for implications)</i>	<p>. Adopt clear policies and legislation mandating engagement of all stakeholders in the tourism planning process</p> <p>. Establish decentralized institutional structures for stakeholder participation</p> <p>. Provide financial resources and technical assistance by universities and non-profits for small enterprises to participate in the</p>	<p>. Under the banner of corporate social responsibility, provide small enterprises with technical assistance, mentorship and data on green tourism</p> <p>. Advocate and lobby for green tourism policies and plans</p> <p>. Initiate and support stakeholder partnerships and joint ventures on green tourism</p>	<p>. Lobby policy makers for policies, laws and programs mandating stakeholder collaboration in tourism planning</p> <p>. Undertake outreach campaigns on stakeholder collaboration opportunities in tourism</p> <p>. Initiate and support stakeholder partnerships and joint ventures on green tourism</p>	<p>. Lobby policy makers for policies, laws and programs mandating stakeholder collaboration in tourism planning</p> <p>. Speak to and mobilize neighbors to get involved in green tourism initiatives</p> <p>. Volunteer to serve on public, corporate or non-profit advisory bodies on green tourism partnerships</p>

	tourism sector			
Enlightenment <i>(see Table 4 for implications)</i>	<p>. Adopt clear policies and legislation mandating tourism outreach initiatives for all stakeholders by universities, non-profits and technocrats</p> <p>. Establish decentralized institutional structures for tourism outreach to stakeholders</p> <p>. Provide financial resources, technology and technical assistance for tourism campaigns and outreach at the grassroots</p>	<p>. Support, fund or organize public awareness campaigns on green tourism</p> <p>. Sponsor green tourism research, education and training by local educational institutions and non-profits</p>	<p>. Undertake and support green tourism research and data sharing</p> <p>. Organize and co-sponsor multi-stakeholder educational events on green tourism</p> <p>. Lobby policy makers for policies, laws and programs to promote mass awareness about green tourism</p>	<p>. Lobby policy makers for policies, laws and programs mandating public outreach on green tourism events</p> <p>. Organize micro forums to inform and energize neighbors about green tourism</p> <p>. Campaign for resources to provide green tourism information at locations in the community, the local library, etc.</p>

03. CONCLUSION

In an insightful article on modern tourism, Shanks (2007) identified and discussed what she termed nine paradoxes of modern tourism. Some of the paradoxes speak aptly to the central theme of this paper, which is that the modern tourist, hence, modern tourism, requires and consumes products, goods and services which have significant implications for the

environment of their destination society. Tourism is an activity which, like all human activities, relies on the productive capacity of the environment. Therefore, society cannot and should not allow tourism to undermine the very base on which it thrives. To achieve a happy medium or balance between tourism demands and nature's capacity, societal stakeholders must engage collaboratively in sustainable tourism planning. Shanks (2007) stated, for example, that "tourism is the best possible development sector and the most treacherous," that "commodifying culture simultaneously preserves, transforms and destroys it," that "attempts to present living nature or culture to tourists have the effect of deadening them," and that "what is environmentally sustainable is often unprofitable and insulting." What these and the other paradoxes identified by Shanks affirm is this paper's contention that, tourism, which is an activity that is an industry or an economic sector unto itself, needs to be carefully and strategically planned, if it is to be a positive, profitable and sustainable contributor to any society's economic, political, environmental and psycho-social wellbeing.

As has been argued in this paper, culminating in the stakeholder roles in Table 5, tourism, with all its charm, advantages or benefits, is not without its dark side. The modern tourist has a spirit of adventure that, unless regulated by law, could be hazardous to the individual tourist and to the public. This spirit has resulted in demand for services and products which, to be provided or satisfied by the tourism industry, are soiling the images of the industry and the host destinations most visited by tourists. Among the externalities of this complex tourist (demand)-industry (supply) relationship is the toll that the natural environment must bear (Prigg, 2013; Goldsmith, 2009). With the ever visible evidence of the 'reaction' of the environment to this human-inflicted toll, concerted efforts are needed to plan activities such as tourism sustainably. In modern societies, sustainable tourism planning is clearly a public interest, task and challenge. This explains why the public or governmental sector has the preponderant role, as shown in Table 5, in the sustainable tourism planning and development process. Although viewed typically as an economic and leisure activity, placing tourism planning in the sustainability context, as is done in this paper using the pentagon framework, requires and induces policy makers and technocrats to probe or establish how tourism addresses societal goals and values embedded in, or reflected by, each of the pentagon pillars, both in the short-term (current generation) and the long-term (future generations). Sustainable tourism planning is imperative for societies worldwide, in order to be at the competitive edge of capturing part of the world's robust tourism market.

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STUDY REGARDING THE IMPACT OF PUBLIC POLICES ON TOURISM ACTIVITIES

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Abstract

The evolution of tourism is influenced by the incidence of several factors, different as nature and role, which can determine the increase or decrease of the tourism activity. The study treats and analyzes the impact of economic, technical, social, administrative - organizational and political factors reflected in public policies on tourism activities as well as the influence regarding the framing of these factors in the stimulating category or constraints, aspects which determine promoting or braking tourism. In this respect, it is analyzed the influence of public policies of investments in general and touristic infrastructure, of public policies with social component, of public policies with an organizational - administrative component and of public policies with political component. In conclusion, the study, using a new approach in terms of administrative sciences, identifies the relationship of interdependence between the public sector and public policies in the field of tourism on one hand, and the relationship between tourism, public administration and political power on the other side and highlights that tourism represents an activity of the public administration and an area of interest of political power, as it includes areas of economic, social, environmental, security, education, information technology, planning, communication, and can be considered development factor of society.

Keywords: *tourism activities, public policies, tourism, public sector, public administration*

01. INTRODUCTION

Tourism is a complex phenomenon, which can be an important source of development and detection of national economies of the countries which have touristic resources and which exploit these accordingly.

Regarding the field of tourism as a component of the national economy, we correlate the tourism with the evolution of the other branches. Thus, the major implication of the tourism implementation in a country's economy involves the government's engagement in defining and implementing of coherent politics in tourism. Furthermore, international competition in the field, the national interest and complexity of the specific features of the tourism industry are arguments advocating state intervention in tourism. Tourism, is viewed as an increasingly more important component to the national economy as a factor stimulating economic and social growth, as part of the overall economic unit, requiring state intervention in its development, while ensuring correlation at a macroeconomic level in relation to all the other branches components.

The impact of public policies on tourism activities

Tourism evolution is influenced by the incidence of several factors, different as nature and role, which can determine increasing or decreasing of the activity. Among the many classifications of these factors existing in tourism theory³⁰, one of the most important and comprehensive groups has as criteria their contents or nature. From this point of view, are indicated:

a). Social – economic factors

1. Economic factors:

- level of socio-economic development, illustrated by GNP / capita;
- Tourism household income and availability;
- prices and interest rates products;
- touristic offer.

2. Technical factors:

³⁰ Ionescu, I., *Turismul fenomen economic, social și cultural*, Ediția Oscar Print, București, 2000., pg. 51-52.

- general and touristic infrastructure: highways, modern roads, bridges, means of transportation, telecommunication, electric and thermic energy, water, sewage, fuel etc.;
- technical facilities of structures with functions of tourist accommodation, food.

3. *Social factors:*

- degree of urbanization;
- weekly and yearly spare time;
- unemployment;
- social protection etc.

b). *Psycho-demographic factors:*

- *Demographic factors:* numerical evolution of population; changing life expectancy; structure by sex and age group; structure by socio – professional categories etc;
- *Psychological and educational factors:* knowledge willingness; temperament; individual character; fashion; level of education; touristic motivation in evolution; attitudes; enriching the touristic experience etc.

c). *Administrative - organizational factors:* customs clearance; visas condition; safety of tourists, typological diversity of arrangements; facilities or priorities in organized tourism; participation at world touristic calendar etc.

d). *Political factors (internal and external):* bilateral agreements between states; general treats; ONU conferences on touristic theme; regional agreements; ensuring free movement of tourists as an effect of a political understanding; reconsidering the tourism symbol as “barometer of political situation in a country” and as “passport for peace”.

Knowing the factors which determine and bring forward the tourism or, on the contrary, have effects of relative braking over this, has a great importance in the development of this field.

Further, analyzing the impact of public policies on tourism, we notice that these factors of incidence on tourism can be influenced by being included in the category of stimulated factors or constraints, aspects which are in favour or against tourism.

Public policies of growing the level of socio – economic development, illustrated by GNP / capita and population income will lead to increasing the availability for tourism, which determines including the economic factors among the stimulating factors of tourism development, contrary to the public policy of austerity, illustrated by lower household

income, aspect which can determine the behavior of these factors as the constraints of the development of the field (constraints of demand contracted by price, income, purchasing power).

Public policies of investments in general and tourist infrastructure can lead to including technical factors among the stimulating factors of tourism development, in contrast to their absence, leading to the existence of inadequate infrastructure, inadequate reception capacity of an area and limitation of the number of visitors who can move to an area without causing damage to the environment, bad transportation, causing both offer constraints (regarding the limited quantitative character of attractive tourism resources) as well as time constraints (regarding the season length and time travel) of tourism activities.

Public policies of a social component, of increasing the degree of urbanization, of spare time of population, of unemployment decrease and the existence of social protection determine considering the social factors as stimulating factors of tourism development, opposed to their nonentity which leads to request constraints (of consumers reported to contracted quantity according to the price, income, purchasing power), internal individual constraints (limitation of financial, human, managerial, technical resources of contractors) and of some time constraints (are reflected both in the consumers' limited time off and in the length of touristic season), which can influence the tourism development and the profitability of touristic activity in a negative way. As well, the public policies with a social component, of population's demographic growth, of average length life and educational, can determine restraints requests of consumers reported to the contracted quantity and lack of knowledge, aspects, that, as well, can influence in a negative way the profitability of the tourist activity.

Public policies with administrative-organizational component, of facilitation of administrative bureaucracy (legal, taxes), duty goods, sanitary, of concern regarding the tourists safety and ensuring of facilities or priorities in organized tourism and for participating at world's touristic calendar determine the consideration of administrative – organizational factors as stimulators of tourism development, in contrast with the existence of a law in the field of tourism (law restrictions which enclose travelling) and of some governmental politics (nationalization of receptive tourism, state monopoly in touristic activities, overtaxing, complicating and aggravating the administrative formalities, customs, sanitary) incoherent and inadequate, which constitute an inhibiting factor of tourism in the development of tourism.

Public policies with a political component, closing bilateral agreements and treaties between states, concluding regional agreements, ensuring the free movement of tourists as a result of a political agreement, are likely to lead to including political factors among stimulating factors of tourism development, as opposed to the existence of political and security constraints (internal instability of a country's engagement in armed conflict) that compromise national tourism industry, the existence of conflicts and insecurity worldwide, which are inhibitors of the tourism phenomenon in general.

Elaborating and implementing public policies affecting tourism is for the government to be undertaken in cooperation with stakeholders, civic organizations, trade and professional unions.

Characterizing public administration tasks through the system of political power dependence, we see their different implications and meanings from one regime to another, given that the ultimate goal of public interest and political power are the same, leading to the conclusion that government system is closely linked to the political system, the political environment being itself an important dimension of public administration.

Tasks' administration in a field, namely tourism, by the ministry or by another organ specialized in ministerial administration at the local level (as a manifestation of the principle of decentralization) and/or at a non-governmental level, is an option of the political party or coalition of parties in government, decision expressing the interests of policy priorities.

Taking into consideration the importance of tourism increase from economic, social, cultural points of view, lately, tourism is found in political platforms, governmental programs of political majority, which leads to finding the importance of tourism industry growing in terms of political interest.

Thus, recognizing and supporting the tourism industry by the government and political power as a priority of the national economy, is identified analyzing the existence of the domain in the normative documents and legal regulations, in politics and decision making, as well as from organizational diversity of the competencies in the tourism field (proportions between the nature and responsibility of the body responsible for the coordination of tourism activity), and the level of government investment in the sector.

02. CONCLUSIONS

Analysis of the impact of public policies on tourism activities leads to finding the fact that they can influence to a considerable extent the tourism, as stimuli or constraints, helping and aiding to favouring or braking tourism.

There is an interdependent relationship between the public sector and public policies in the field of tourism on one hand, and between tourism, public administration and political power on the other hand.

Tourism is an activity of the public administration and a field of interest of the political parties, including areas in the economic, social, environment, security, education, informatics technology, planning, and communication and can be considered as well a factor of society development.

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