EXAMINING THE HIERARCHY OF DESTINATION BRANDS AND THE CHAIN OF EFFECTS BETWEEN THE BRAND EQUITY DIMENSIONS

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Abstract

This paper focuses on the customer-based brand equity for a tourist destination, and develops a model including the dimensions of this construct (i.e. awareness, image, perceived quality and loyalty). Accordingly, loyalty is considered the main dependent variable in our model. One main contribution of our paper to the literature is that it takes into account the hierarchy of destination brands and analyzes, not only the chain of effects between the dimensions of brand equity for a regional destination, but also the influence of country destination image (i.e. country is considered an umbrella brand) on the image perceived of one of its regional destinations. Other significant contribution is made by examining the moderating effect of the country familiarity on the relationship between both types of image. The empirical evidence obtained from a sample of 253 international tourists visiting a regional destination in Spain supports that loyalty towards the destination is positively influenced by the perceived quality of the destination, which in turn is directly influenced by the image and awareness of the destination. Additionally, our results support for the idea that the perceptions of a regional destination are positively influenced by the perceptions of the country destination where the region is located. However, the moderating effect of country familiarity on the relationship between both types of image is not supported in this research. This result could be because, in a country where there are a lot of destination brands, being more familiar with a country does not necessarily imply a more accurate knowledge of its regional destinations.

Key words:

Destination branding, country destination, regional destination, brand equity, image,

perceived quality, awareness, loyalty

1. Introduction

Tourist destinations should be considered products (Yoon & Uysal, 2005; Boo, Busser & Baloglu, 2009) that the destination marketing organizations (DMOs) should adequately manage to attract visitors and build loyalty. To that end, in a global and competitive environment such as the current one, having a strong brand is a good strategy for achieving positive returns, providing the differentiation needed from competitor destinations and gaining competitive advantage (Hanna & Rowley, 2007; Pike, 2009). "Place branding" is the application of product branding to places (Kavaratzis & Ashworth, 2006). Despite the interest it has garnered, it is one of the newest research areas (Cai, 2002), and is still considered to be in its infancy (Konecnik, 2006; Pike, Bianchi & Kerr, 2010). Until now, the literature available has been greatly fragmented (Gertner, 2011), and concepts such as "brand loyalty", "brand equity", "brand architecture", which have an extensive background in the marketing literature (Keller, 1993; Aaker, 1996; Aaker & Joachimsthaler, 2000), have rarely been explored in the field of tourism (Dooley & Bowie, 2005; Koecnik, 2006; Pike, 2007; Harish, 2010).

Kavaratzis & Ashworth (2006) wonder if city branding is a transitory marketing trick. Furthermore, they question if place branding may be impossible because places are not exactly products, and governments and users are not producers and consumers, respectively. Their conclusion is that place branding "is not only possible but that it is, and has been, practiced consciously or unconsciously for as long as cities have competed with each other for trade, populations, wealth, prestige or power" (Kavaratzis & Ashworth, 2006, p. 188). With regard to this, Hankinson (2001) confirmed after reviewing the practices of branding in twelve English cities that marketing tools applied

to places were widely used, but little understood. The point is then to create an integrated framework that clarify all aspects of developing a place brand and will give guidance for managing it (Kavaratzis & Ashworth, 2006).

Place branding is based on the conceptual domains of tourism and urban policy. However, since year 2000, there has been a growing contribution to the place branding literature from service marketing studies and, above all, corporate branding studies. The theoretical developments of both research lines led to a richer and more useful theory of place branding (Hankinson 2009, 2010). In this regard, "brand identity", "brand architecture" or "brand equity", among others, become interesting research fields. In the case of "brand equity", Pike (2009) includes this concept as one potential research gap, suggesting that further research in this area might usefully be extended to the measurement of re-branding and re-positioning strategies. However, the studies about destination brand equity are scarce and supported mainly in past research on destination image. Additionally, more diversified quantitative methods are required to successfully identify the elements and dimensions of brand equity (Chan & Marafa, 2013).

Taking into account its potential, we used as starting point the model of consumer-based brand equity (CBBE), developed by Aaker (1996) and Keller (1993, 2003), and applied in this case to a regional tourist destination. This model is based on the premise of developing an understanding of how marketing initiatives are impacting on consumer learning and recall of brand information (Pike, 2000). In particular, four dimensions related to perceptions and reactions of consumers to the brands are established: awareness, associations, quality, and loyalty.

The aim of destination branding should be to stimulate intent to visit and revisit the place, which are indicators of brand loyalty (Pike & Bianchi, 2013). The loyalty is

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in the highest level (Pike, 2000), so we consider this construct as the main outcome variable and analyze empirically the causal relationships or chain of effects existing between the four dimensions of CBBE. Furthermore, and taking into account the brand architecture and the hierarchy of destination brands, this paper explores the influence of the image of a country as tourist destination on the image of one of its regional destinations. More concretely, we study the case of Spain, which is one of the most important tourist destinations in the world. It is a country with a "house of brands" strategy in tourism (Dooley & Bowie, 2005; Harish, 2010) because each of its regions promotes its own destination brand. With this in mind, this study carried out an empirical research with international tourists visiting Spain and focused on the relationship between country destination image and regional destination image, assuming the existence of a hierarchy of brands between different territorial entities (Cubillo, Sánchez & Cerviño, 2006).

In addition, it is important to indicate that individuals usually have a different image of countries, regions and cities (Kapferer, 2000), based on their experiences and information about each territorial entity, but those images are interrelated among them (Ashworth & Kavaratzis, 2007). In particular, when evaluating a specific foreign destination (for example, a region located in a specific country), the familiarity of tourists with the country may play a key role in the formation of their regional destination image, especially when they have little information about the regional destination. Under these circumstances, it is expected that the relationship between the country destination image and the regional destination image is moderated by country familiarity (Balabanis, Mueller & Melewar, 2002). Our paper will take into account the Information Processing Theory and the Theory of Attitude Stability in order to better

understand how are formed, in terms of reliability and strength, the perceptions of the country as a tourist destination depending on the familiarity of tourists with the country. This information will let us to better explain the moderating influence of country familiarity on the relationship between the country destination image and the regional destination image.

Therefore, this research aims to provide two main contributions to the academic literature on destination marketing: 1) the development of an integrative model that considers, not only the chain of effects between the dimensions of customer-based brand equity for a regional destination, but also the role of country destination image in the formation of the regional destination image due to that the country brand would act as an umbrella brand in the tourist mind; 2) the examination of the influence of country destination image on regional destination image by considering, as a moderator variable, the level of familiarity of the international tourists with the country under investigation.

2. Literature review and research hypothesis

2.1. Customer-based brand equity of a place

"Place branding" is becoming a focal area for marketers, with a growing number of academic works, particularly in the field of destination and tourism marketing (Kaplan, Yurt, Guneri & Kurtulus, 2010). So far, the topic has been partly covered by studies about destination image (Baloglu & McCleary, 1999; Pike & Ryan, 2004; San Martín & Rodríguez del Bosque, 2008), but place branding is a complex and extensive field of research, and it cannot be limited to destination image studies only (Kaplan et al., 2010). The effectiveness of place brands can be measured by customer-based brand

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equity -CBBE- (Konecnik, 2006; Konecnik & Gartner, 2007; Pike et al., 2010; Im, Kim, Ellio & Han, 2012), a multidimensional construct initially proposed by Keller (1993) and Aaker (1996) in the field of goods and services, and now extended to territories.

Despite its potential for tourist destinations, the study of brand equity has only recently attracted the attention of academic researchers (Boo et al., 2009), with relatively few works testing the CBBE model in relation to destination branding (Pike & Bianchi, 2013). According to Aaker (1991), customer-based brand equity can be defined as "a set assets and liabilities linked to a brand, its name and symbol that add to or subtract from the value provided by a product to a firm and/or the firm´s customers". In addition, four dimensions of CBBE are well established in the previous literature (Aaker, 1991, 1996; Konecnik, 2004): awareness, image, quality, and loyalty. Firstly, brand awareness refers to the ability to recognize or recall that a brand is a member of a product category. Secondly, brand image consists of the beliefs and attitudes in relation to the perceived benefits of a brand. Thirdly, brand quality is the judgment of the overall excellence or superiority of a brand relative to the alternatives in the market. Finally, brand loyalty is considered the commitment of individuals with regards to a determined brand over time.

In the context of tourist destinations, brand awareness can be conceived as the presence of a destination in the minds of people when a given travel context is considered; brand image represents the set of associations or impressions attached to the destination, composed of a variety of individual perceptions relating to several attributes of the destination; brand quality is concerned with perceptions about the way in which the destination attempts to meet tourists' functional needs, a holistic judgment made on the basis of the excellence or overall superiority of the service (Bigné, Sánchez & Sanz,

2005); and brand loyalty, which represents the core dimension of the CBBE concept (Aaker, 1996) and the main source of customer-based brand equity (Keller, 2003), is usually measured in tourism research by intention to return to the tourist destination and willingness to recommend it to other people (Pike, 2007; Chen & Myagmarsuren, 2010; Prayag, 2012).

Destination image is therefore central to brand evaluation and brand equity, but other dimensions are also necessary to truly measure customer-based brand equity (Konecnik & Gartner, 2007; Boo et al., 2009). The study of Konecnik and Gartner (2007) was one the first destination brand equity works. In this paper the authors analyzed the whole concept of consumer-based brand equity, although proposed in future research the need to study the direction of the relationships among its dimensions. In this line, Boo et al. (2009) analyzed the influence of awareness, quality and image on destination brand value and loyalty, whereas Pike and Biachi (2013) considered the direct relationship of these dimensions on destination loyalty. Pike et al. (2010) and Bigné et al. (2013) went beyond to propose the possible interrelationships between the constructs. Therefore, there are antecedents in the literature about the existence of hierarchical relationships among the dimensions, although this issue needs further research.

2.2. Relationships between the dimensions of customer-based brand equity for a regional tourist destination

Different models of consumer behavior establish that awareness is a first and necessary step to loyalty (Konecnik, 2006), the foundation of the hierarchy of brands (Pike, 2000; Pike et al., 2010) and "the ticket to enter the market" (Pike, 2007).

Awareness is the necessary basis for individuals to generate meaning about a brand. The higher the level of awareness, the more dominant is the brand in the mind of individuals and it is more likely that they consider the brand in their decision-making processes (Yasin, Noor & Mohamad, 2007). According to the associative network model, memory consists of nodes, defined as stored information connected by links that vary in strength (Anderson, 1993). Brand awareness reflects the strength of the brand node in the minds of consumers, and it generates differences in information processing (Hoyer & Brown, 1990). On the one hand, if customers are aware of a certain product or brand, the possibility that they have a favorable image of that product or brand is higher (Hoyer & Brown, 1990; Aaker, 1991; Keller, 2001). On the other hand, brand awareness could have a positive effect on consumers' perceptions of quality (Dodds et al. 1991; Ming et al. 2011). Brand awareness serves as a platform to ensure credibility and position of the product by decreasing the risk and the information costs as perceived by consumers, and the reduction of uncertainty leads to higher quality expectations among consumers (Erdem & Swait, 1998).

These relationships have been examined in consumer goods products (Esch et al., 2006; Ming et al. 2011). In the field of tourist destinations, empirical research is less advanced although there are some evidences that prove that a greater awareness of a destination will enhance the associations linked to it, both those that comprise the brand image (Bigné, Andreu & Zanfardini, 2013; Pike et al. 2010) and the quality perceptions (Pike et al., 2010). On the basis of this theoretical approach, we establish the following hypotheses in the context of a regional tourist destination:

H1: *Awareness of the regional destination will have a direct and positive influence on the regional destination image.*

H2: Awareness of the regional destination will have a direct and positive influence on the perceived quality of the regional destination.

In research on consumer behavior, it has been widely recognized that perceptions of quality are influenced by the image of the product or service (Bloemer, de Ruyter & Peeters, 1998). More concretely, Lee, Lee, & Wu (2011) establish that perceived quality is influenced by intrinsic cues (e.g. brand features) and other extrinsic cues such as brand image. In tourism, image plays an important role in the evaluations and behavioral intentions of tourists (Lee, Lee & Lee, 2005). In particular, the relationship between image and perceived quality has been confirmed in several works focused on tourist destinations (Bigné, Sánchez & Sánchez, 2001; Bigné et al., 2005; Hankinson, 2005; Chen and Tsai, 2007; Kim, Holland & Han, 2013). The image that tourists form of a destination influences the way they perceive the destination's quality. In particular, given that destination image is formed on the basis of a tourist's perceptions of the destination's resources and attractions, an improved image will reinforce the quality perceived in the destination as a whole. With this in mind, we establish the third hypothesis of this research:

H3: The regional destination image will have a direct and positive influence on the perceived quality of the regional destination.

The relationship between perceived quality and loyalty has been widely supported in literature on service marketing (Boulding et al. 1993; Zeithaml et al. 1996; Bloemer et al. 1999; Hennig-Thurau, 2001). In tourism research, Hsu et al (2011) provided empirical evidence of this relationship in the hospitality industry. In the field of

destinations, perceived quality is considered a very important variable because it influences on tourist behavior (Kim et al., 2013). In this sense, Baker and Crompton (2000) establish that the main motivation of tourism providers for investing effort in evaluating and improving their quality of performance is that such improvements will result in increased visitation. Since perceived quality is the evaluation of a destination's offerings made by tourists (Zabkar, Brencic & Dmitrovic, 2010), it is reasonable to propose a positive relationship between perceived quality and loyalty toward the destination. A high level of perceived quality will affect positively the intention to return and the intention to recommend other people the tourist destination (Bigné et al. 2013). This causal relationship, which is supported by previous studies in tourism (Pike et al., 2010; Zabkar et al., 2010; Jin, Lee & Lee, 2013; Kim et al., 2013; Moon, Kob, Connaughton & Lee, 2013; Bigné et al. 2013), prompts the fourth hypothesis of this research:

H4: The perceived quality of the regional destination will have a direct and positive influence on loyalty toward the regional destination.

2.3. Influence of country destination image

The "place" construct may refer to various geographical entities: countries, regions, cities and towns (Hanna & Rowley, 2007). Many studies on place branding concentrate on initiatives in one of these units, adopting a monolithic understanding of space (Syssner, 2009), but we should not forget that cities, regions and nations are interrelated. In this sense, it is interesting to take into account the hierarchies of territories and brand architecture strategy adopted. This theory belongs to conventional branding, and describes a process of managing and designing a portfolio of brands

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(Kapferer, 2000). Aaker & Joachimsthaler (2000) introduce the concept of "brand architecture" and define it as an organizing structure of the brand portfolio that specifies the brand roles and the nature of relationships between brands. These authors establish four alternatives: the house of brands, endorsed brand, sub-brand, and branded house strategies. Taking into account this theory, Dooley &Bowie (2005) analyze each strategy using relevant place brand examples (e.g. Egypt as branded house; Scandinavia as sub-brand; Western Australia as endorsed brands, and Spain as house of brands). In choosing the most suitable strategy one would need to look at the specific driver role that each brand plays in the formation of purchase intentions of consumers (Aaker and Joachimsthaler, 2000; Dooley& Bowie, 2005).

In our study, we will be studying the case of a "house of brands" strategy, which can be defined as one that includes a port-folio of sub-brands that act independently of each other and in relation to the master brand (Kapferer, 2000). In the case of Spain, the country is divided into seventeen autonomous regions, each of which promotes its own destination brand, independently of the master brand (Gilmore, 2002; Dooley & Bowie, 2005). According to Dooley & Booley (2005), there appears to be a greater degree of coordination between Spain's national tourism board and their counterparts for regions, although there may still be room for cohesion on a regional sub-brand level. In this regard, the advances have been important, and Tourspain has acquired a relevant role in the value creation in the tourism industry, being "Spain brand, Marketing and Knowledge" its claim. Country and city/regional branding should be a key tool for capturing tourists (Zhang & Zhao, 2009; Zenker et al., 2013) and these territories should act jointly, at least in the tourist mind.

Specifically, there is a hierarchy between both territory brands, which is derived from the physical dimensions and the notoriety of the different geographical areas. Taking into account the perceptions of individuals, country brand is the master brand which would act as an umbrella brand and it can be expected that country image influences the image of the cities or regions located in that country (Cubillo et al., 2006). According to the Information Processing Theory (Bettman and Kakkar, 1977; Tybout et al, 1981), processing information is conditioned by, among other aspects, the solidness with which the different informational cues are structured (Peterman, 1997). Individuals usually have more concrete beliefs about countries, while their beliefs about regions or cities are usually less clear (Ashworth and Kavaratzis, 2007), so it can be postulated that the country image will affect the perceptions or images of the cities located in them (Cubillo et al, 2006; Herrero et al. 2015). There are special cases in which specific cities have a stronger notoriety, thereby producing the opposite effect. That is, cities such as New York, Paris, London or Tokio, among others, are striking examples of cities which outperforms its own country in brand power. However, those are exceptional cases (Anholt, 2006).

Most papers related to the influence of country image are focused on the evaluation of products or services (Javalgi, Cutler & Winans, 2001; Ahmed, Johnson, Ling, Fang & Hui, 2002; Yasin et al., 2007). They show that country image, considered as the sum of beliefs, ideas and impressions that people have about a country (Kotler, Haider & Rein., 1993), has a great impact on consumer evaluations. This way, country image includes stereotypes and perceptions about the country that, above all when consumers are unfamiliar with the product, are commonly used as short-cuts for information processing and consumer decision heuristics (Kotler & Gertner, 2002), and

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serve as a "halo effect", through which consumers infer product attributes (Ham, 1989; Ahmed et al., 2002). Along the same lines we postulate that, in the tourism field, the image of the country as tourist destination will influence the regional destination image, a theoretical relationship posited by Cubillo et al. (2006) but not proven empirically. Therefore, the fifth hypothesis is:

H5: The country destination image will have a direct and positive influence on the
regional destination image.

2.4. The moderating effect of country familiarity

In order to better understand the formation of the regional destination image, the concept of country familiarity is considered in this paper, since it has been found to affect the attitudes and preferences of individuals. In the literature on consumer behavior, familiarity has been defined as consumer experience with a product and it reflects the direct and indirect knowledge available to an individual (Alba & Hutchinson, 1987). Familiarity therefore goes beyond the mere experience of an individual (Cordell, 1997) and it is also based on advertising exposure, information searches and, of course, product use. In our context, country familiarity can be defined as the direct and indirect knowledge of a country based on previous experience and the information available to an individual.

The moderating effect of country familiarity on the relationship between country destination image and regional destination image can be explained by taking the Information Processing Theory. Particularly, Park and Lessig (1991) establish that the familiarity with a brand helps to be more confident with the brand in the decision-making processes. This argument can be used in the specific field of tourist

destinations; in a context of high familiarity where individuals have a wide knowledge

of the country, it is likely that they perceive as more precise and reliable their

information about the tourism options and opportunities of the country (Han, 1989).

Under these circumstances the images of the country destination, as perceived by these

individuals (in comparison to people less familiar with the country), will have a more

significance in the formation of the images perceived of the regional destinations in that

country (Fakeye & Crompton, 1991).

In a similar way, according to the Theory of Attitude Stability, several studies

establish that as the number of experiences and the amount of information in relation to

an object (for example, a country) increases, the individuals' attitudes towards the

object (for example, images of the country destination) will be stronger and will have a

higher influence on their perceptions and behaviors (Priester et al., 2004). Therefore,

following both theoretical approaches, we postulate the following hypothesis in our

research context:

H6: The stronger the familiarity with a country, the stronger the influence of the

country destination image on the regional destination image.

Figure 1 summarizes the hypotheses of this research.

Figure 1. Theoretical model

3. Methodology

Quantitative research was carried out to test the hypotheses. Data was collected using a personal questionnaire that included the following main questions: 1) the image of Spain as a tourist destination; 2) the dimensions of brand equity for Cantabria as a regional destination; and 3) the socio-demographic characteristics of respondents. It is necessary to emphasize that Cantabria is a region in the north of Spain on the shore of the Bay of Biscay. This region is placed in the touristy area labelled as "Green Spain" together with other three regions: Basque Country, Galicia and Asturias. The famous Altamira Caves, which contain some of the best pre-historic paintings in the world, the Cabarceno Natural Park, an amazing wildlife park created on a karstic landscape on 750 hectares, or the Cantabrian Route of the Camino de Santiago, which is included in the World Heritage List (UNESCO), are some of the most value attractions in the region of Cantabria. These attractions, and in general its beautiful landscapes, its impressive cultural and historic heritage and its unique local cuisine, provokes that Cantabria is one of most important Spanish regions in terms of cultural and natural tourism.

Each variable of the model was measured using a multi-attribute instrument adapted from previous works in order to assure the content validity in the operationalization of each construct (see appendix). Particularly, a 10-point Likert scale is used in order to maximize the potential variation in responses, which facilitate the estimation of the parameters involved in the research model. Destination awareness was measured with three items, taking the work of Boo et al. (2009) and Pike et al. (2010) as a basis; the scale used to measure destination image was adapted from San Martín and Rodríguez del Bosque (2008); perceived quality was measured by a scale adapted from Boo et al. (2009); and the scale of loyalty was derived from Konecnik and Gartner

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(2007), Boo et al. (2009) and Pike et al. (2010). Finally, country familiarity was measured in line with the bidimensional approach (i.e. informational and experiential dimensions) proposed by Baloglu (2001).

The target population of the quantitative research was international tourists above 18 years old. The quota method (i.e. a non-probabilistic procedure) was used to select the sample in this research. More concretely, the characteristics of the population under investigation with regard to gender and age (information provided by the Spanish Institute of Tourism Studies) were used as a reference to select the respondents (Table 1). Data collection was conducted through a personal survey of international tourists visiting Cantabria (Spain) during the summer of 2013. Tourists were contacted in the international airport, when they were taking the return flight to their country. A total of 253 valid responses were obtained (several socio-demographic characteristics of the sample are indicated in Table 1). Particularly, the dominant profile of respondents is male, aged 25 to 44 years, university level and worker. In addition, the main country of origin of the tourists is United Kingdom.

Table 1. Socio-demographic characteristics of respondents

4. Results

4.1. Estimation of the model

Before estimating the Structural Equation Model (SEM) and testing the research hypotheses, the reliability and validity of the measurement scales were checked by means of a confirmatory factor analysis, using EQS 6.1 software. The results confirm the reliability and convergent validity of the scales jointly studied (see Table 2). The fit

criteria indicate the extent to which the factorial model fits the empirical data. In particular, three main classes of fit criteria are indicated: measures of absolute fit (BBNNFI is near to the 0.90 threshold and RMSA is below 0.08); measures of incremental fit (IFI and CFI are equal to 0.90); and measures of parsimonious fit (normed χ^2 is below 5). None of the confidence intervals for pairs of latent constructs include 1.0 (Anderson & Gerbin, 1998), thus supporting discriminant validity of the model (Table 3).

Table 2. Confirmatory factor analysis

Table 3. Confidence intervals for the correlations between pairs of latent variables

The research model was estimated following a SEM approach and using the statistical software EQS 6.1 (Figure 2). The analyses were run using a robust maximum-likelihood estimation procedure in order to avoid problems of non-normality with the data. The goodness-of-fit indexes obtained were within the recommended intervals, thus confirming that the research model adequately fits to the data. All causal relationships between variables were found to be statistically significant and in the direction postulated in this study.

Loyalty towards the regional tourist destination was positively influenced by the perceived quality of the destination, which in turn was directly influenced by image and awareness. Accordingly, the better the image and awareness attributed by tourists to the regional destination, the better its perceived quality will be and, therefore, tourists will be more loyal to that destination in terms of intention to return and willingness to

recommend it to other people. The regional destination image was significantly

influenced by the country destination image. In consequence, country destination acts as

an "umbrella brand" that contributes to forming the image of regional destinations in the

tourist´s mind.

Figure 2. Estimation of the model

4.2. Testing the moderating effect of country familiarity

Following to Ro (2012) and Kim, Murrmann and Lee (2009), the analysis of the

moderating effect of country familiarity on the relationship between country destination

image and regional destination image is based on a multi-step hierarchical multiple

regression, which include the following steps: first, the independent variable (i.e.

country destination image) and the moderator variable (i.e. country familiarity) were

entered into the model as predictors of the dependent variable (i.e. regional destination

image). Second, an interaction term, which is the product of the independent and

moderator variables, was entered into the regression model in order to represent the

moderator effect. Third, before the estimation of the regression model, multicollinearity

was eliminated by the residual-centering procedure (Lance, 1988). Particularly, the

interaction effect is replaced by a new variable resulting from a comparison between the

interaction and the expression extracted from the regression of the two variables on the

interactive effect.

The results of the estimates using the program IBM SPSS are summarized in

Table 4 (each variable included in the statistical software is based on the average of its

items). As observed in the step 1, the model explains a significant percentage of the

observed variance (32.0%), and only the country destination image has a significant influence on regional destination image. In the step 2, it can be observed that the interaction term is not a significant predictor of regional destination image, so H6 is not supported according to our empirical evidence.

Table 4. Hierarchical regression analysis for testing the moderating effect

5. Conclusions

The present paper examines the chain of effects existing between the dimensions of the customer-based brand equity for a regional tourist destination, considering the loyalty as the main outcome variable for explanation in the theoretical model. Moreover, this paper takes into account the hierarchy of destination brands and analyzes the influence of country destination image on the regional destination image by developing an empirical research with international tourists visiting Spain (a country with a "house of brands" strategy in tourism). The moderating effect of country familiarity on the relationship between the two types of image is also examined in this research in order to generate new knowledge in tourism research.

With regard to the hierarchy of effects between customer-based brand equity, the empirical evidence obtained from a sample of 253 international tourists visiting a regional destination supports the theory that loyalty towards the destination is positively influenced by the perceived quality of the destination, which in turn is directly influenced by the image and awareness of the destination. Accordingly, the influence of the awareness and image of a destination on the intentions of tourists to return and to recommend the destination is mediated by the perceived quality. In this sense,

destination image (in terms of perceptions of tourist attractions) is the main determinant of perceived quality of the tourist destination, exerting an indirect effect on tourist loyalty. Moreover, the results obtained show that more recognizable or renowned destinations will be perceived as being of higher quality, which intuitively shows that tourists use the destination's "fame" as a signal of its quality. This way, awareness indirectly influences tourist loyalty towards the destination.

This research also considers the hierarchy of destination brands and examines the influence that the country destination image exerts on the regional destination image. Empirical evidence obtained supports for the idea that the perceptions of international tourists of a regional destination are positively influenced by their perceptions of the country destination where the region is located. The country's brand therefore acts as an "umbrella brand" for the region's brand. This research doesn´t support the moderating effect of country familiarity on the relationship between both constructs of image, however. This may be because, in a context where there are many destination brands (i.e. regional destinations), being familiar with a country does not necessarily imply a more elaborate and precise knowledge of the different regions located in that country. The result could also be explained by the distinctive characteristics of Cantabria as tourist destination, which are mostly related to nature and "green" tourism, and less so to the sun and beach tourism that is predominant in Spain. Tourists with a stronger familiarity with the country will therefore not necessarily make a stronger association between country and region in their minds.

5.1. Managerial implications

These results have implications for the management of regional destinations, and especially for the attraction and loyalty of international tourists. First of all, in line with Konecnik and Gartner (2004), Pike et al. (2010) and Pike and Bianchi (2013) the empirical evidence obtained supports that regional DMOs should focus marketing efforts on fostering destination brand equity for international tourists. According to this would require a strong stress on communication and promotion campaigns.

Moreover, the identification of a chain of effects between the dimensions of the customer-based brand equity for a tourist destination, provides new insight for marketing management as it evidences the convenience on focusing more on some dimensions (e.g. brand awareness and image) before putting the stress on more elaborated dimensions such as perceived quality and brand loyalty. Thus, to the extent that our results confirms that perceived quality and brand loyalty are built on the basis of the perceptions regarding brand awareness and image (Konecnik and Gartner, 2004; Boo et al., 2009; Pike, 2007, 2010), these two dimensions should be the center of promotion campaigns in a first stage.

Accordingly, developing a higher renown for a destination will be associated with higher perceptions of quality, which will lead to stronger intentions of return and willingness to recommend it to other people. Regarding brand image, communication campaigns should be designed to build brand associations based on the main resources of the destination demanded by the target segment, and in which the destination has competitive advantages (Qu et al., 2011; Pike and Bianchi, 2013). That is to say, the destination should be clearly recognizable and to have brand associations that differentiate it so tourists perceived it as a high quality destination which, in turn, would lead them to have a high loyalty.

The design of promotion and communication campaigns should be based on a market-orientation approach, both with regard to the identification of relevant countries for tourist attraction (Pike and Bianchi, 2013), and to market segmentation in each country of origin. In particular, small and specialized regional destinations (such as Cantabria), with limited resources for brand promotion, should focus on a few nearby countries to be efficient in the generation of brand awareness (Konecnik and Gartner, 2004). Reaching the group of tourists interested in the main attractions of the destination is fundamental for success in the creation of an international brand image, and this requires in-depth analysis of the characteristics and preferences of tourists in each country of origin (Pike and Bianchi, 2013). Regional destinations should therefore identify those countries nearby where are more valued by potential tourists, target the tourists most suited for the destination, and design communication campaigns focused on those tourist attractions in which the regional destination is able to add value to the target groups.

The influence that country destination image exerts on the regional destination image according to our results, has also relevant implications for the management of tourism destinations. First, regional DMOs should try to take advantage of the country destination image to reinforce the regional brand (Cubillo et al., 2006; Herrero et al., 2015). This is particularly recommended in the case of regions that are not very renowned as tourist destinations, but that are located in countries with a well-known tourism brand, as is the case of Cantabria and Spain. Linking a regional destination to a country destination would help to international tourists better understand and evaluate such a destination, which would lead to a better brand image (Cubillo et al., 2006). This is especially recommendable if both, country and region, have valuable attributes in

common (for example, resources such as beaches, cultural heritage and gastronomy in the case of Cantabria and Spain). International tourists with less knowledge of a regional destination may therefore have a better perception of that destination if they associate it with the country destination.

If it is possible to undertake a coordinated or even joint promotion of the country and region brands, this could have an impact on building the regional destination brand, which in turn would strengthen the national touristic demand. Coordinated promotion campaigns can offer different values for both the country and the regional destination (Dooley & Bowie, 2005; Harish, 2010). Joint promotion campaigns also allow the cost to be shared between the country and the regions, which suggests either a cheaper investment to reach the targeted international markets or a stronger impact with the same promotional budget. From the country perspective, the coordination of promotional campaigns allows the projection of a more diverse image of the country, therefore showing a more varied and valuable offer for international tourists, which could foster longer stays for tourists to visit more places, or the creation of circuits complementary to the standard tourism model (sun and beaches in the case of Spain).

From the point of view of regional destinations, coordinated promotion campaigns could serve to build new trans-regional destination images within the country, by linking the tourism offer of a region with the offer of other regions which have common or complementary attributes (for example, natural resources as mountains or forests, cultural resources as castles, Romanic or Modernist buildings, local products such as wine or olive oil, or gastronomy such as "tapas" in the north of Spain or "paella" on the Mediterranean shore).

5.2. Limitations and further research

It is important to highlight that, despite the rigorous methodology used in our empirical research, this study has several limitations. The fact that this research focuses on a specific regional destination (Cantabria) and a country destination (Spain), could limit the generalization of the results. It would be very interesting to replicate the study in other countries and regions with different degrees of similarity between the brands in tourism. In this sense, Spain should be a relevant benchmark for the understanding of the relationship between regional destination image and country destination image, as it is one of the major tourist destinations in the world. In addition, with the purpose of generating evidence about the robustness of the model, it should be examined the role of different socio-demographic or behavioral characteristics of tourists as control or moderator variable.

Another limitation of this study is related to the composition of the sample in terms of nationality of the tourists (our sample was formed mainly of tourists from countries in Europe). It would be very interesting to develop similar studies examining tourists from countries with very different preferences and cultures. Finally, recent studies have included tourist satisfaction as an antecedent of the loyalty in the models of destination brand equity (Bigné, et al., 2013). Thus, it would be interesting to examine in-depth the role of this variable in future researches in this field.

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Appendix

Destination image (for the country and the region)
Natural environment (landscape, beaches, natural parks, ...)
Cultural heritage (monuments, museums, folklore, ...)
Tourist infrastructure (accommodation, restaurants, shopping, ...)
Leisure and recreation activities (sport, adventure, ...)
Local cuisine
Hospitality
Awareness of the regional destination
Cantabria is a clearly recognizable tourist destination
Cantabria is a famous tourist destination
Cantabria is a well-known tourist destination
Perceived quality of the regional destination
Tourist resources in Cantabria are attractive
Tourist products and services in Cantabria are excellent
Cantabria is a quality tourist destination
Loyalty toward the regional destination
I will try to come back to Cantabria
I will encourage my family and friends to visit Cantabria
I would recommend Cantabria if someone asked me
Country familiarity
I have high knowledge about Spain
I have a precise vision of the characteristics of Spain
I´m very familiar with Spain

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Table 1. Socio-demographic characteristics of respondents

Gender	Population (%)	Sample (%)
Male	52.0	52.6
Female	48.0	47.4

Age	Population (%)	Sample (%)
15-24 years	12.6	13.8
25-44 years	44.2	44.7
45-64 years	33.7	33.2
64 or more years	9.5	8.3

Education level	%	Country of origin	%
Less than primary	3.6	United Kingdom	23.3
Primary	6.0	Germany	15.0
Secondary	21.5	Ireland	14.6
University	68.9	Netherlands	9.1
Occupation	**%**	France	6.7
Worker	65.1	Italy	5.1
Student	17.5	Belgium	3.6
Housewife	5.2	United States	2.8
Unemployed/retired	12.2	Other countries	19.8

Table 2. Confirmatory factor analysis

Factor	Variable	Mean	Standard Coefficient	R^2	Cronbach's α	Composite Reliability	Goodness of fit indices
Loyalty toward the regional destination	BELoy1. I will try to come back to Cantabria	8.50	0.634	0.401			
	BELoy2. I will encourage my family and friends to visit Cantabria	8.77	0.926	0.858	0.834	0.870	
	BELoy3. I would recommend Cantabria if someone asked me	8.92	0.911	0.829			
Perceived quality of the regional destination	BEQua1. Tourist resources in Cantabria are attractive	7.71	0.736	0.541			
	BEQua2. Tourist products and services in Cantabria are excellent	7.56	0.828	0.685	0.829	0.832	
	BEQua3. Cantabria is a quality tourist destination	8.03	0.803	0.645			Normed χ^2 = 2.02
Awareness of the regional destination	BEAwa1. Cantabria is a clearly recognizable tourist destination	5.85	0.833	0.694			BBNNFI = 0.88
	BEAwa2. Cantabria is a famous tourist destination	4.91	0.894	0.798	0.910	0.912	IFI = 0.90
	BEAwa3. Cantabria is a well-known tourist destination	5.07	0.912	0.831			CFI = 0.90
Region´s destination image	DICan1. Natural environment (landscape, beaches, natural parks, …)	8.78	0.420	0.176			RMSEA = 0.06
	DICan2 Cultural heritage (monuments, museums, folklore, …)	7.38	0.467	0.219			
	DICan3. Tourist infrastructure (accommodation, restaurants, shopping, …)	7.79	0.698	0.488	0.703	0.716	
	DICan4. Leisure and recreation activities (sport, adventure, …)	7.59	0.633	0.400			

	DICan5. Local cuisine	8.24	0.564	0.319			
	DICan6. Hospitality	8.56	0.465	0.216			
Country´s destination image	DISpa1. Natural environment (landscape, beaches, natural parks, …)	8.51	0.629	0.396			
	DISpa2 Cultural heritage (monuments, museums, folklore, …)	8.21	0.733	0.537			
	DISpa3. Tourist infrastructure (accommodation, restaurants, shopping, …)	8.16	0.763	0.582	0.836	0.836	
	DISpa4. Leisure and recreation activities (sport, adventure, …)	7.80	0.668	0.446			
	DISpa5. Local cuisine	8.48	0.672	0.452			
	DISpa6. Hospitality	8.47	0.599	0.359			

Table 3. Confidence intervals for the correlations between pairs of latent variables

|	Loyalty	Perceived quality	Awareness	Region´s destination image
Perceived quality	0.540[a] (0.408 ; 0.672)[b]			
Awareness	0.086 (-0.050 ; 0.222)	0.373 (0.241 ; 0.505)		
Region´s destination image	0.419 (0.273 ; 0.565)	0.638 (0.508 ; 0.768)	0.275 (0.109 ; 0.441)	
Country´s destination image	0.359 (0.217 ; 0.501)	0.565 (0.431 ; 0.699)	0.153 (-0.013 ; 0.319)	0.673 (0.545 ; 0.801)

[a] Correlation among variables; [b] Confidence interval for high correlations

**Table 4. Hierarchical regression analysis for testing the moderating effect**

	Regional destination image	
	Step 1	**Step 2**
Country destination image	0.55^{a}***	0.56***
Country familiarity	0.04 (n.s)	0.04 (n.s)
Country destination image * Country familiarity		0.05 (n.s)
Adjusted R-square	0.32	0.32

[a] Standardized coefficients; *** p< 0.01; (n.s.) not significant
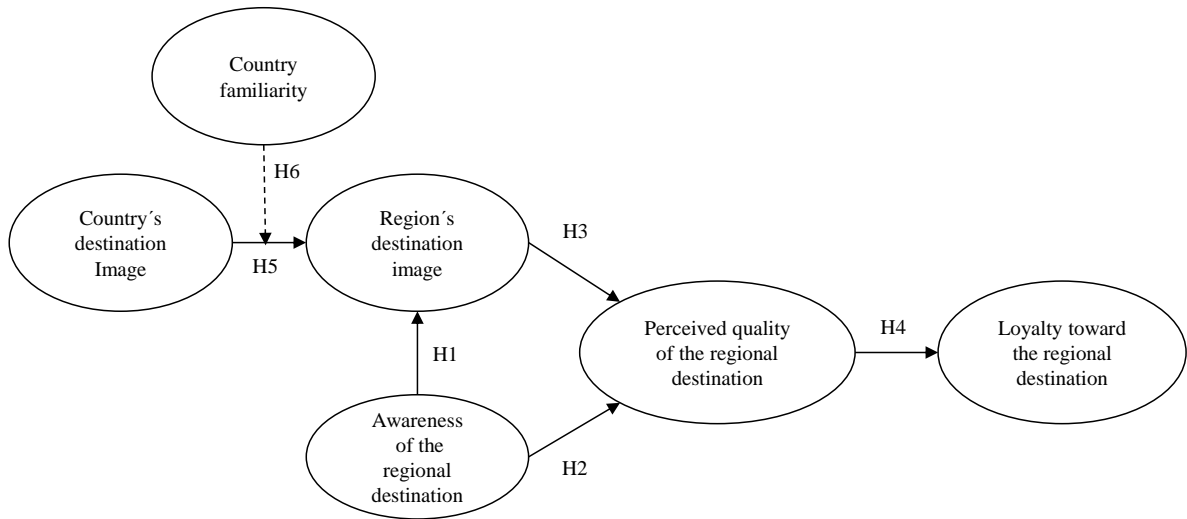
Figure 1. Theoretical model

Figure 2. Estimation of the model
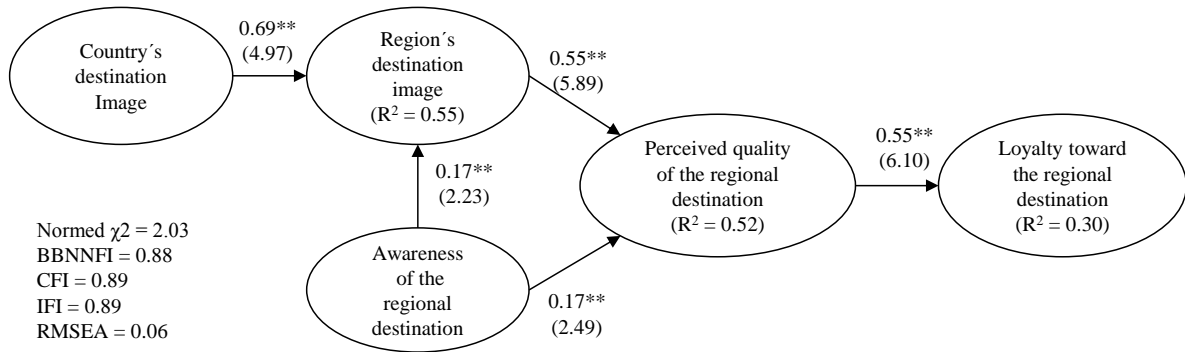
** Standardized coefficients estimated for each causal relationship are significant for a confidence-level

of 95.0% (results in parentheses are t-values related to estimates).