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ABSTRACT

Festivals in rural areas are increasingly being used as instruments for promoting tourism and boosting the regional economy (Felsenstein & Fleischer, 2003). However, most market segmentation studies have been conducted using a single segmentation basis. The present study used three variables to identify segments of visitors from ten rural community festivals to avoid this limitation. A total of 366 visitors provided usable data. The results show significant differences in information sources, length of stay, travel expenditures, and satisfaction levels among three clusters. Visitors did not come to the area for the events were actually the ones who stayed longer and spent more to the event. Event managers should consider different needs and preference of these two segments and create value proposition for non-event seekers.

Keywords: *multi-segmentation, festival tourism, rural tourism*

INTRODUCTION

Festival tourism has been the topic of research for several decades. Festivals have been examined in the context of marketing, economic impact, and community development. Festivals and events not only provide host and guest recreational opportunities, but also contribute to community development and the local economy (Long & Perdue, 1990; Getz, 1991). Festivals in rural areas are increasingly being used as instruments for promoting tourism and boosting the regional economy (Felsenstein & Fleischer, 2003). To enhance the development of festival tourism, it is necessary to better understand who the visitors are. Market segmentation allows festival tourism marketers and developers to identify distinct festival visitor groups (Crompton, 1983).

However, most market segmentation studies have been conducted using a single segmentation basis. Visitors were usually segmented based on their motivation, lifestyles, travel expenditures in previous studies (Bieger & Laesser, 2002; Gonzalez & Bello, 2002; Mok & Iverson, 1999). Since travel behavior is multi-dimensional and influenced by various factors (Lang & O' Leary, 1997), multiple variables should be used to better understand the market segments of festival visitors. Additionally, many previous studies exploring festival visitors have been conducted in a single festival/event setting, thus the results of these studies often lack

generalizability. The present study used three variables to identify segments of visitors from ten rural community festivals in the southeast region of a Midwestern U.S. state.

LITERATURE REVIEW

Mahoney (1987) suggests that the process of market segmentation is to 1) group existing or potential travelers with similar preferences, 2) select the most promising segments as target market, and 3) design market mixes which satisfy the special needs, desires, and behaviors for the target markets. Despite the identification of major segmentation methods including demographic, socioeconomic, and behavioral methodologies (Best, 2005), there is little known about how to empirically investigate the effect of multiple segmentations with a combination of different attributes. A multi-segmentation strategy is important as it provides clearer insight into best ways to classify markets and identify nich markets (Armstrong & Kolter, 2010). It is essential for the growth of destinations which depends largely on festivals and events. Thus, for local economies that are largely dependent on time-specific and location specific festivals and events, it is important that they seek “multi-site, multi-service, or multi-segment growth strategies” (Crouch & Ritchie, 1995, p.7) to enhance their destination competitiveness.

Activities, frequency of previous visits, and purpose of travel have been studied separately to provide valuable information regarding visitor behaviors and marketing strategies in tourism development. For example, activity based segmentation was used to identify travelers to Hong Kong (Choi & Tsang, 1999). Results showed that activity was useful information to assist market planners formulating marketing strategies, packaging and programming, and generating promotional materials based on understanding of travelers’ preferences. Frequency of previous travel is often found in the literature as an important descriptor of visitors. Anwar & Sohail (2004) analyzed the perceptions of first-time and repeat visitors to festivals in the United Arab Emirates (UAE). They found that tourist perceptions in the UAE was multidimensional and their travel experiences and overall trip satisfaction tended to be significantly different between first-time visitors and repeat visitors.

Travelers’ purpose has also been found to be relevant in segmenting the travel market. Kaynak & Yavas (1981) categorized visitor into three groups: vacationers, business people, and visitors. They found that vacationers spent most on food/beverage, entertainment, and shopping, whereas business people spent more on transportation. The expenditure patterns among the three segments were found to be significantly different. In addition, Cai, Lehto and O’Leary (2001) profiled the characteristics of U.S.-bound Chinese travelers by travelers’ purpose: business, leisure, and business & leisure. The three groups showed differences in their pre-trip preparation, trip characteristics, and destination activity participation patterns. The study also found that leisure travelers stayed longest and spent the most on entertainment. The business and hybrid groups were more influenced by official or formal information channels. Leisure group had higher participation in activities such as shopping, dining, and sightseeing. The hybrid travelers tended to participate more in destination activities than the business travelers. Review of the literature suggests that trip activities, frequency of previous visits, and purpose of travel, on its own, can be useful segmentation basis. This study will use all three variables simultaneously in order to better define the rural festival visitor market.

METHODS

Fifteen hundred visitors were invited to participate in the study at ten rural community festivals/events in the southeast region of a midwestern state in 2009. These events were all community cultural festivals which included arts, food, wine, and car shows. A total of 366 visitors provided usable data (a response rate of 24.4%). Participants replied to questions regarding their activities during the stay in an open-ended question format. Researchers subsequently summarized the answers and recoded the activities into nine categories: 1. “attending festivals or events”, 2. “shopping”, 3. “dining and winery”, 4. “sightseeing”, 5. “engaging in cultural-related activities”, 6. “participating sports and recreational activities”, 7. “visiting family/friends and socializing”, 8. “relaxing”, and 9. “attending to concert or musical event”. Purpose of the trip was listed in 6 categories: 1. “annual vacation”, 2. “anniversary”, 3. “visiting family/friends”, 4. “weekend getaway”, 5. “special events”, and 6. “other purposes”. Previous visits was a continuous variable.

To segment the festival visitors, the Two-Step Cluster Analysis in SPSS (18th Edition) was used based on their frequency of previous travel (continuous data), purpose of travel (categorical data), and activities engaged (categorical data). The SPSS Two-Step Cluster Analysis allowed cluster solutions using a mixture of both continuous and categorical variables (Tan et al., 2006). Demographic variables, travel characteristics (information sources, length of stay, and expenditures), and trip satisfaction were examined within each cluster to determine differences among cluster groups.

RESULTS

Using the three segmentation variables (frequency of previous travel, purpose of trip, and activity types), three visitor clusters were identified as a viable cluster solution. They were “event goers” (cluster 1), “vacation shoppers” (cluster 2), and “weekend escapers” (cluster 3). The researchers selected the three cluster solution as it made the most sense and each cluster had clear and distinct features. Slightly over half of the visitors (154, 52.7%) were event goers. Visitors in this cluster visited the region just for the purpose of attending special events. They usually engaged in event-related activities such as gaming, watching shows, and dining out. Three out of ten tourists (84, 28.8%) belonged to the second cluster-vacation shoppers. Visitors in this cluster usually visited the area during their annual vacations and tended to visit the region more often than others. They preferred to engage in shopping, sightseeing and socializing in the area. Weekend escapers (54, 18.5%) in general participated in a wide range of activities including shopping, dining out, visiting cultural/historical areas, listening to music, and being relaxed. Compared to the other two clusters, this group visited the region less frequently (Table 1).

No significant difference was found in terms of visitors’ gender, education level, household income, and home of origin among the 3 groups. The majority of respondents (202, 70.5%) were 41 to 70 years old. Most respondents from the three clusters were from out of state. A college degree (80, 27.6%) and high school diploma or GED (78, 26.9%) were two of the most common education levels reported. Although no significant difference, “event goers” tended to have higher level of education (44.7% with at least college degree) than others (“vacation shoppers” - 34.4%; “weekend escapers” – 36.9%). More than half of the respondents (160, 54.8%) were employed full time, while one-third (89, 30.5%) report being retired. Seven

out of ten respondents (162, 69.6%) indicated 2008 household incomes between \$30,000-\$59,999 and \$60,000-\$99,999 annually (Table 1).

Table 1
Demographic Profile by Previous Visit Frequencies

Demographic profile	Event Goers	Vacation Shoppers	Weekend Escapers	Total	χ^2	<i>p</i>
Gender					.829	.661
Female	74	37	28	139(47.6%)		
Male	80	47	26	153(52.4%)		
Total	154(52.7%)	84(28.8%)	54(18.5%)	292(100%)		
Age	49.51	52.76	53.41		38.64	.001*
Education					12.44	.411
Grade school / some high	9(6%)	5(6%)	3(5.6%)	17(5.9%)		
High school diploma or	40(26.3%)	23(27.4%)	15(27.8%)	78(26.9%)		
Technical or vocational	9(6%)	3(3.6%)	7(13%)	19(6.6%)		
Some college	26(17%)	24(28.6%)	9(16.7%)	59(20.3%)		
Four year college degree	47(30.9%)	22(26.2%)	11(20.3%)	80(27.6%)		
Graduate School	18(11.8%)	6(7%)	8(14.8%)	32(11%)		
Professional school	3(2%)	1(1.2%)	1(1.8%)	5(1.7%)		
Total	152(100%)	84(100%)	54(100%)	290(100%)		
Occupation*						
Employed Full Time	87	40	33	160(54.8%)		
Retired	41	29	19	89(30.5%)		
Employed Part Time	8	6	1	15(5.1%)		
Homemaker	8	3	1	12(4.1%)		
Unemployed	6	3	1	10(3.4%)		
Student	1	3	0	4(1.4%)		
Other	5	2	0	7(2.4%)		
Household Income in					19.81	.071
0-29,999	11	10	3	24(10.3%)		
30,000-59,999	44	29	11	84(36.1%)		
60,000-99,999	44	19	15	78(33.5%)		
100,000-129,000	18	7	7	32(13.7%)		
130,000-159,999	4	1	3	8(3.4%)		
160,000-199,999	3	0	0	3(1.3%)		
200,000 and up	1	0	3	4(1.7%)		
Total	125	66	42	233		
Home Origins					.424	.809
In- State	69	34	23	126		
Out-of-State	85	50	31	166		
Total	154	84	54	292		

* Percentage does not total 100% due to multiple responses.

However, significant differences were found in information sources, expenditures on food & beverage, and length of stay. “Event goers” and “vacation shoppers” were more likely to use previous experience (38.2% and 53% respectively) and recommendation from others (38.8% and 37.3% respectively) as information sources about the destination, whereas “weekend escapers” were more likely to be influenced by the internet (32.7%)(Table 2).

Table 2
Information Sources

Information sources*	Event Goers	Vacation Shopper	Weekend Escapers	Total	χ^2	<i>p</i>
Previous experience	58(38.2%)	44(53%)	17(30.9%)	119	6.893	.032*
Brochures	10(6.6%)	8(9.6%)	2(3.6%)	20	1.730	.421
Travel agency	0	0	1(1.8%)	1	4.535	.104
Advertisement on print media	19(12.5%)	3(3.6%)	4(7.3%)	26	5.289	.071
Advertisement on TV	1(.6%)	2(2.4%)	2(3.6%)	5	2.605	.272
Guidebooks	4(2.6%)	0	4(7.3%)	8	7.010	.030*
CVB	0	0	1(1.8%)	1	4.535	.104
Billboards	0	0	0	0	N/A	N/A
Recommendation from others	59(38.8%)	31(37.3%)	14(25.5%)	104	2.434	.296
Internet	27(17.8%)	18(34%)	18(32.7%)	62	5.099	.078
Other sources	10(6.6%)	13(15.7%)	8(14.5%)	31	5.982	.05*

* Percentage does not total 100% due to multiple responses.

“Weekend escapers” spent the most on food & beverage (mean=\$95.83), followed by “vacation shoppers” (mean=\$63.15), and event goers (mean=\$49.71). On average, “vacation shoppers” had the longest length of trip (10.2 days), while the “event goers” and “weekend escapers” had shorter trip lengths (3.0 days and 2.9 days respectively) (Table 3).

Table 3
Expenditure and Duration of Stay

Expenditure (\$)	Event Goers	Vacation Shoppers	Weekend Escapers	F value	<i>p</i>
Lodging	73.13	74.03	122.22	2.31	.104
Food and Beverage	49.71	63.15	95.83	5.415	.005*
Retail	90.82	119.81	115.36	.5	.607
Other expenses	76.91	120.27	38.73	1.062	.347
Total	208.69	285.48	300.66	1.359	.259
Duration of stay	3.0	10.2	2.9	6.164	.002*
# of ppl. in group	3.13	2.8	2.96	.745	.476

The ANOVA test also revealed that difference was found on visitors’ satisfaction levels with accommodation (F=5.173, *p*=.006), attraction (F=4.627, *p*=.011), and shopping experience (F=3.806, *p*=.023). Event goers appeared to be the most satisfied group with all aspects of the

trip experience. Interestingly, vacation shoppers were less content on accommodation (mean=1.96), restaurants (mean=1.95), and the shopping experience (mean=2.04). In addition, weekend escapers were less satisfied with attraction (mean=2), overall value (mean=1.7), and overall experience (mean=1.6).

Table 4
Satisfaction rate

Satisfaction level	Event Goers	Vacation Shopper	Weekend Escapers	F value	p
Accommodation	1.55	1.96	1.89	5.173	.006*
Attraction	1.61	1.66	2	4.627	.011*
Restaurants	1.74	1.95	1.82	1.507	.223
Shopping	1.71	2.04	1.8	3.806	.023*
Overall Value	1.56	1.59	1.7	.788	.456
Overall Experience	1.45	1.54	1.6	1.115	.329

DISCUSSIONS

The most important contribution of this study is that it attempted to provide a rural festival visitor typology using multiple segmentation based in multiple festivals. Three groups of festival visitors in the rural festival setting were identified. There were significant differences in information sources, length of stay, travel expenditures, and satisfaction levels among clusters. “Event goers” and “vacation shoppers” were more likely to be influenced by previous experiences and other people’s opinion. This information suggests providing satisfactory on-site trip experience should be one of the priorities for destination marketers. “Vacation shoppers” reported to stay the longest and weekend escapers spent the most on the trip. These findings imply that visitors who did not come to the area for the event were actually the ones who stayed longer and spent more to the event.

Event managers should consider different needs and preference of these two segments and create value proposition for non-event seekers. In addition, it is interesting to find that “vacation shoppers” were less satisfied with their accommodation, restaurant and shopping experience, whereas “weekend escapers” were less satisfied with their attraction, overall value and experience. These results showed that visitors seemed have higher expectations of the specific attributes that attracted them there at the first place.

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