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TOURISM DESTINATION PREFERENCES: A LONGITUDINAL ANALYSIS OF CONSUMER DECISION SETS

Steven Pike
Queensland University of Technology
Brisbane, Queensland, Australia

ABSTRACT

There have only been a small number of applications of consumer decision set theory to holiday destination choice, and these studies have tended to rely on a single cross sectional snapshot of research participants' stated preferences. Very little has been reported on the relationship between stated destination preferences and actual travel, or changes in decision set composition over time. The paper presents a rare longitudinal examination of destination decision sets, in the context of short break holidays by car in Queensland, Australia. Two questionnaires were administered, three months apart. The first identified destination preferences while the second examined actual travel and revisited destination preferences. In relation to the conference theme, there was very little change in consumer preferences towards the competitive set of destinations over the three month period. A key implication for the destination of interest, which, in an attempt to change market perceptions, launched a new brand campaign during the period of the project, is that a long term investment in a consistent brand message will be required to change market perceptions. The results go some way to support the proposition that the positioning of a destination into a consumer's decision set represents a source of competitive advantage.

Key words

Destination positioning, decision sets, longitudinal, short breaks

INTRODUCTION

Travellers are now spoilt for choice of available holiday destinations. Since any number of destinations can ably provide the benefits desired by consumers, it is not unreasonable to suggest destinations are becoming increasingly substitutable. Competitiveness is now a major challenge facing most destinations (WTTC, in Australian Department of Industry, Tourism and Resources 2001), and has even been described as tourism's 'holy grail' (Ritchie and Crouch, 2000). Ultimately, destination competitiveness is decided by perceptions held in the market place. In recognition of this, one of the most active fields within the tourism literature has been those investigations of destination image as an indicator of market attractiveness (see for example reviews of the destination image literature by Chon 1990, Echtner and Ritchie 1991, Pike 2002). In comparison only a small number of studies have reported an interest in the concepts of destination positioning (see for example Grabler 1997, Uysal, Chen and Williams 2000) and destination decision sets (see for example Woodside and Sherrell 1977, Crompton 1992) as indicators of competitiveness. Also, there has been relatively little research into the concepts of brand loyalty and brand switching in relation to destinations. In examining the literature on short break holidays for example (see Davies 1990, Edgar, Litteljohn, Allardyce and Wanhill 1994, Euromonitor 1987, Fache 1990, 1994, Middleton and O'Brien 1987, Teare, Davies and McGeary 1989), which are considered a low involvement decision, it is not known whether travellers have a set of favourite destinations to which they return regularly or whether they are open to the consideration of new destinations.

Positioning theory is concerned with the analysis of market perceptions, not in isolation as in the measurement of destination image, but relative to the competing set of brands. This then enables an understanding of points of differentiation on attributes deemed determinant to the target audience. Attractiveness may therefore only represent competitive parity if a number of contiguous destinations offer the same benefits. Decision set theory holds that individuals will realistically only consider a small subset of available brands in the purchase decision process (Howard 1963, Howard and Sheth 1969). Consequently, it has been suggested the effective positioning of a destination into a consumer's decision set may represent a source of competitive advantage (reference withheld for review purposes). However, there has been little research reported in the literature that empirically tests this proposition. The paper benchmarks the competitiveness of an emerging

destination at the launch of a new brand campaign; through a longitudinal analysis of decision set position in its most important market over two points in time.

DESTINATION DECISION SETS

Howard (1963) and Howard and Sheth (1969) introduced the concept of the evoked decision set to propose the number of brands considered in any purchase decision was considerably lower than those available. The evoked set was defined as comprising only those brands the buyer will actually consider in the next purchase decision. Howard proposed the number of brands in an individual's evoked set would remain constant at about three or four. Woodside and Sherrell (1977) were the first to investigate evoked sets of destinations in the holiday decision process. They were motivated by the proposition that the mental processes required to evaluate the features of 15 or more destinations would represent too great a task for most travellers. The concept of the evoked set therefore has important implications for DMOs if it is from this set that final destination selection will be made (see Crompton 1992, Thompson and Cooper 1979, Woodside and Lysonski 1989, Woodside and Sherrell 1977). It must be accepted that a hierarchy is developed within the evoked set of destinations, if a final selection is to be made. The higher a brand's position in a consumer's mind, the higher the intent to purchase (Wilson, 1981). Woodside and Wilson (1985) cited research by Burke and Schoeffler (1980), which supported this proposition. It has been shown that top of mind awareness (ToMA), measured by unaided recall, is related to purchase preference among competing brands (Axelrod 1968, Wilson 1981, Woodside and Wilson 1985). Consequently, for the destination that first comes to mind when a consumer is considering travel, ToMA must surely represent a source of advantage.

However, it is unclear the extent to which destinations listed in consumer decision sets show a relationship with actual travel over time. The longitudinal aspect of the project, which has been under-reported in the tourism literature, was partly motivated by Fishbein's (1967: 477) caution with regard to stated preferences:

After more than seventy-five years of attitude research, there is still little, if any, consistent evidence supporting the hypothesis that knowledge of an individual's attitude toward some object will allow one to predict the way he will behave with respect to the object.

Since an individual will likely hold different decision sets of destinations for different types of holidays, the travel context of interest is domestic short holidays by car in Australia. While there is no widely accepted definition in the literature, for this project a short break is defined as a non-business trip away from home of between 1-5 nights. This is one of the most competitive tourism markets for many destinations, given the plethora near home places available to travellers. It is proposed that in this environment destinations are likely to be highly substitutable. The geographic market of interest is Brisbane, which is Queensland's state capital and most populous city. In the 2001 Australian census, Brisbane's 1.6 million residents represented almost 40% of the state total. There has been a lack of attention in the tourism literature towards short breaks in Australia. This is despite estimates that 76% of domestic travel in Australia is undertaken by car, 70% of travel takes place within the state of residence, and the mean length of stay for the domestic drive market in Queensland is four nights (BTR, 2002). Apart from a report prepared by Tourism Queensland (1997) there has been no formal investigation of short breaks in Queensland.

The destination of interest in the study is Queensland's Coral Coast. Queensland is Australia's 'sunshine state' and features a coastline of some 2000 kilometres ranging from sub-tropical to tropical. Differentiating a beach in Queensland is no small feat. The Coral Coast region is classified by the state tourism organisation (STO), Tourism Queensland, as an emerging destination, and is one of 14 tourism regions officially recognised by the STO. This carries significant benefits for the Coral Coast as Tourism Queensland provides financial and human resources to aid the regional tourism organisation's (RTO) marketing. The region is situated 370 kilometres north of Brisbane, with a mainly rural population. The region has a small and slowly developing tourism infrastructure of small businesses and council amenities. The largest city is Bundaberg with a population of approximately 45,000. Including Bundaberg City Council, a total of 11 shire councils, representing beach and farm communities, have a direct interest in the region's RTO. Not surprisingly therefore, the politics of RTO governance decision making can be an issue, such as in brand development for example.

In early 2003 the RTO launched a new brand campaign for the region in Brisbane, which is the Coral Coast's largest source of visitors. The new brand development was stimulated by STO-organised focus group results indicating the destination suffered a poor image as a tourism destination in the Brisbane market. The key challenges were summarised as the need to i) raise awareness of the region in target markets, ii) stimulate interest in and desire to travel to destination, and iii) educate consumers as to what there is to see and do. The theme of the new brand is *Discover Bundaberg, Coral Coast and Country*. Conducted independent of the RTO and STO this research was initiated to provide a more structured benchmark of market perceptions, for which the DMO's future brand awareness tracking could be based. Key objectives were to identify:

1. the level of short break activity by Brisbane residents
2. preferred destinations, measured by unaided top of mind awareness (ToMA) and decision set composition
3. short breaks activity by participants during the three month period of the research
4. the consistency of the size and composition of destination decision sets over two periods of time

METHOD

The research took place during the period March-July 2003. This is the Autumn season in sub-tropical Brisbane, and features four public holidays (Easter, ANZAC Day, Labour Day and Queens Birthday) and a school/university holiday break. Brisbane's major consumer travel expo also takes place during this period. April is the second most popular month for holidays in Australia (BTR, 2002). In the last week of March 2003 the first of two questionnaires was distributed to a systematic random sample of 3000 Brisbane households selected from the 2002/2003 telephone white pages. Envelopes were addressed to the name(s) as listed in the directory, and a cover letter requested the questionnaire be completed by the person in the household, aged 18 or over, who would next celebrate their birthday. The letter also advised a second and final questionnaire would be sent to participants three months later. An incentive prize of accommodation at a mystery short break destination was provided.

Preferred destination status was operationalised by asking participants to name the destination that first comes to mind when considering their next short break. Fishbein and Ajzen (1975) proposed any question exploring of the relationship between attitude and behaviour must include the following:

- The *behaviour*, which for the study is a holiday.
- The *target object* at which the behaviour is directed, which are domestic destinations.
- The *situation* in which the behaviour is to be performed, which is a self-drive short break.
- The *time* at which the behaviour is to be performed, which is within the next three months.

The response to this unaided awareness question is considered to be representative of top of mind awareness (ToMA). To measure decision set composition, the next question asked participants to list any other destinations they would *probably* consider for their next short break. Participants were asked a series of exploratory questions about the characteristics of short breaks, and to rate the importance of a battery of 36 destination attributes. Twenty attributes were selected from a previous investigation of short breaks in New Zealand, which were developed from a review of over 100 studies of destination image, personal interviews with consumers using Repertory Grid, and interviews with tourism decision makers. These were supplemented with a further 16 attributes selected from published studies that featured an Australian focus. A total of 523 completed questionnaires were received, which represented a useable response rate of 19%. This was considered satisfactory given the longitudinal nature of requested participation. The characteristics of participants were compared to the 2001 Australian Census data. In general, the characteristics of the sample were similar to the wider Brisbane population, although as often is the case with market research there was a slightly higher representation from women and a lower representation of 18-24 year olds in the sample.

The second questionnaire was distributed during the first week of July to the 486 participants of stage one who agreed to participate in stage two. The questionnaire contained two questions relating to SARS and the War in Iraq, which occurred during the period of the research, three questions relating to short break activity during the April-June quarter, preferred destinations for their next short break, and a section rating the

performance of a competitive set of destinations across a subset of attributes deemed important in the first questionnaire. The latter is the focus of a separate paper. Again, an incentive prize of accommodation at a mystery short break destination was offered. This resulted in 308 completed questionnaires, which represented a useable response rate of 63%.

RESULTS

Stage 1

The mean importance for taking at least one short break each year, on a seven point scale anchored at 'not important' (1) and 'very important' (7) was 6.3. Only 28 participants (5%) rated this item lower than the scale mid-point. A total of 320 participants (61%) indicated having taken a short break during the previous three months. The mean number of short breaks indicated each year was 3.2, with 84% of participants indicating two or more. These results indicate the importance of this travel activity and validate the participants as knowledgeable about the questionnaire topic. Almost half of the sample indicated a likelihood of taking a short break during the April-June quarter.

The mean maximum comfortable driving time to a short break destination was four hours, with approximately three quarters of participants indicating a maximum of four hours or less. This facilitates the development of a geographic boundary of available destinations, albeit taking into account the travelling time between Brisbane's northern and southern suburbs. Importantly, the Coral Coast is at the margin of this drive time.

A total of 86 ToMA destinations were elicited from participants. For reporting succinctness the list has been categorised by regional tourism organisation (RTO) boundary. As shown in Table 1 the most popular destination region was the Sunshine Coast, which was listed by almost half of the sample (45%). This was over double the number who listed the second most popular region. Destinations in the Coral Coast region were listed by only 2% of participants.

Table 1
ToMA Destinations by RTO Boundary

Region	Frequency	Valid Percent
Sunshine Coast	231	45.1%
Gold Coast	96	18.8%
Northern New South Wales	57	11.1%
Fraser Coast	33	6.4%
Darling Downs	20	3.9%
Brisbane/Moreton Bay islands	17	3.3%
Coral Coast	11	2.1%
Discovery Coast	7	1.4%
Capricorn Coast	7	1.4%
Other New South Wales	6	1.2%
Other	27	5.3%
Missing	11	
Total	523	

Including the ToMA destination, the mean number of destinations listed in decision sets was 3.8, with two thirds of participants indicated a range of between two and four destinations. This is consistent with overseas studies focusing on other travel contexts (see for example Thompson and Cooper 1979, Woodside and Lysonski 1989). Analysis of variance and independent-samples *t* tests indicated no significant differences between decision set sizes by demographic characteristics. Including ToMA destinations, over 120 places were elicited from participants. This clearly indicates the range of available destinations, and therefore competition, is considerable. Brisbane residents are literally spoiled by choice of near home destinations.

Stage 2

As shown in Table 2, 190 of the stage two participants almost two thirds (62%) indicated having taken a short break by car during the April-June quarter. Almost 25% participated in two or more short breaks during

this period. Interestingly, this compares with the results of the first questionnaire where 61% of participants indicated having taken a short break during the previous three months.

Table 2
Number of short breaks during April-June

Number of trips	n	Per cent
0	118	38%
1	117	38%
2	48	16%
3	19	6%
4	3	1%
5	3	1%
Total	308	

Of the 190 participants who had taken a short break during this period, almost half (47%) visited the ToMA destination they had indicated in the first questionnaire. Almost 75% of participants who took a short break during the study visited at least one destination from their initial decision set. Significantly, 92% of participants indicated having previously visited their ToMA destination. Approximately one quarter of participants (26%) had visited their stage two ToMA destination during the previous three months. For the short break context therefore, recent visitation is not a strong predictor of preference in the short term. If, as indicated in the first questionnaire, participants are taking an average of three short breaks per year, this may be indicative of a desire to visit different destinations during different seasons. These findings emphasise the importance of being positioned in the decision set of consumers. To do so represents an advantage over the majority of available destinations not listed.

Almost half of the stage two participants (48%) listed the same ToMA region in both questionnaires, indicating participants do have favourites destinations in their decision set. These results also reflect the opportunity for RTOs to enhance destination loyalty through increased repeat visitation. Interestingly the overall pattern of ToMA region remained consistent across the two questionnaires. Table 3 shows the ToMA destination regions elicited from stage two participants. The ranking and ratio of preferences was consistent with the first questionnaire as previously shown in Table 1. For example, the Sunshine Coast was again the most popular selection, listed by 47% of participants in stage two, compared to 45% in stage one. Coral Coast destinations were listed by 3% of participants, which was also consistent with the first questionnaire.

Table 3 – ToMA destinations in Stage two

Destination Region	Frequency	Valid Per cent	Valid per cent in stage one
Sunshine Coast	145	51%	45%
Gold Coast	50	18%	19%
Northern NSW	31	11%	11%
Fraser Coast	19	7%	6%
Coral Coast	9	3%	2%
Darling Downs	7	2%	4%
Capricorn Coast	7	2%	1%
Brisbane/Moreton Bay islands	3	1%	3%
Discovery Coast	2	1%	1%
Other	9	3%	5%
Missing	26		
Total	308		

CONCLUSION

The paper reported a rare longitudinal investigation into the relationship between stated tourism destination preferences and actual travel, in the context of domestic short break holidays by car. A sample of

residents of Brisbane, the state capital of Queensland in Australia, indicated a strong propensity for short breaks. Participants indicated taking a mean of three short breaks per year. Destination preference was operationalised by unaided awareness questions to identify the ToMA destination and the decision set for short breaks that might be considered during the following three months. Even though participants elicited a range in excess of 100 near home destinations, the mean decision set size was limited to four destinations. Practically, the decision set size has serious implications for those destinations not listed. Given half of the sample indicated a likelihood of taking a short break within the next three months, these destinations are less likely to be considered in the selection process. It is this proposition that was the focus of the longitudinal stage. A second questionnaire was distributed three months after the first, in an attempt to compare travel during the period with the initial stated preferences. It was found that of those taking a short break during the three month period of the study, 75% visited at least one of the destinations listed in their decision set.

As noted by Oppermann (1995) longitudinal studies have rarely been reported in the tourism literature. A contribution of this longitudinal study, in relation to the conference theme, is the results indicate that in the context of short breaks by car, consumers have favourite short break destinations, to which they make repeat visitation. This may reflect the low involvement decision making where familiarity with a destination minimises perceived risk. Certainly in the short term at least, there was almost no change in the overall destination preferences. This highlights the need for the Coral Coast to be committed to a long term and consistent campaign to improve perceptions and intent to visit.

The results go some way to support the proposition that the effective positioning of a destination into a consumer's decision set represents a source of competitive advantage. Clearly, being listed in a consumer decision set of only four destinations out of a 120 destinations is an important RTO marketing performance measure. In the case of the Coral Coast, the lack of presence in decision sets at the time of a new destination brand launch represents a competitive disadvantage. Research interested in destination attractiveness and competitiveness must therefore include a measure relative to the competitive set of destinations and a measure of conation. After all, for any commercial organisation the latter would surely represent a source of goodwill or brand equity. At the time of writing, key results had been presented to eight Queensland RTOs. The data represented the first market research on short breaks for each of these organisations, none of which had considered the concept of monitoring decision sets. In this regard it is proposed the results provide a benchmark for which future tracking of market perceptions and decision set composition will provide a useful indicator of RTO marketing communication performance and destination competitiveness. For example, analysis of decision set composition in 2006 will provide an indication of the effectiveness of the new brand campaign over a three year period.

In the time since this study an important intervening variable in measuring short break destination attractiveness has emerged in Australia. The introduction of low cost airlines Jet Star and Virgin Blue have opened up new opportunities for destinations further a field to compete for the Brisbane short break market. These destinations include Great Barrier Reef islands, Townsville and Cairns within Queensland, as well as interstate options such as Sydney and Melbourne. Additionally, New Zealand has emerged as an affordable short break option through low cost international carrier Freedom Airlines. Further research into the impact of these airlines on the Brisbane short break market will have implications for destinations far wider than those within a maximum comfortable drive of four hours of Brisbane.

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