# TOURIST DESTINATION IMAGE AND CONSUMER BEHAVIOUR: THE CASE OF THE AZORES

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## **ABSTRACT**

Destinations are currently seeking to become more distinctive in an increasingly competitive market in which image is a decisive element in tourists' destination selection. This study sought to understand the Azores' overall image as a tourist destination in major source markets and to ascertain these markets' level of satisfaction and behavioural intentions concerning the archipelago.

The literature review in this paper addresses the definition of tourist destination image and the issue of satisfaction, since these influence intention to return and/or intention to recommend tourist destinations. The results indicate that (1) overall image influences satisfaction and intention to recommend and/or return to tourist destinations and (2) satisfaction influences intention to recommend and/or return to tourist destinations. This study also verified that most tourists are very satisfied with the Azores, as well as having a quite positive overall image of this destination.

Keywords: Image, Tourist Destination, Consumer Behaviour, TDI, Azores.

JEL Classification: Z32, Z33

## 1. INTRODUCTION

Tourism has been identified as a driving force for regional development, whereby the industry contributes to overall economic growth. The gradual emergence, proliferation and consolidation of tourist destinations currently presents a challenge to tourism managers in terms of competitiveness and the loyalty of source markets. In general, there is a consensus that a positive image has an affective influence on tourists' behaviour. In this sense, it is vital to find out how to attract tourists not only for the first time but also, above of all, to discover how to persuade them to revisit and recommend destinations to others. Given various studies that confirm destination image as an important persuasive element, research on this concept is extremely important for effective management of tourist destinations.

This paper seeks to contribute to an understand of the Azores' overall image as a tourist destination in its major source markets and to ascertain these markets' level of satisfaction and future expectations concerning the archipelago. This study's purpose was also to confirm if overall image influences satisfaction and intention to recommend and/or return to tourist destinations and if satisfaction, in turn, influences these behavioural intentions.

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## 2. LITERATURE REVIEW

In today's competitive environment, creating and managing an appropriate destination image has become essential for effective tourism product positioning. In this context, destination loyalty and satisfaction have become an important part of destination marketing and management due increased competition.

According to Wang (2000), the concept of tourist destination image is complex and subjective. Multiple definitions have been developed for this concept, but no consensus has been reached on its definition, formation and measurement (Beerli & Martin, 2004; Kim & Richardson, 2003; Fakeye & Crompton, 1991). These conceptualisations are subject to oscillations that are dependent on time factors and the different fields of study examining destination image.

In relation to tourism as a subject area, the concept of image was first applied in the early 70s by Hunt (1971). Since then, image has become one of the most discussed issues in the literature on tourism (Stepchenkova & Mills, 2010). The fact that destination image is a widely studied topic has resulted in a series of definitions of the concept for tourism contexts. In the earliest conceptualisation, Hunt (1971) defined tourist destination image as the set of impressions that individuals or a group of individuals have about a place where they do not live.

The process of tourists' selection of destinations is complex since this is influenced by a number of factors such as budget, free time, season and image (Pizam & Telisman-Kosuta, 1999; Sirakaya & Woodside, 2005; Bornhorst, Ritchie & Sheehan, 2010). The persuasive power of image is not limited to changing the outcome of selection processes, as image affects all phases related to tourists' consumer behaviour (Ashworth & Goodall, 1988; Mansfeld, 1992; Luque-Martínez, Barrio-García, Ibánez-Zapata & Molina, 2007; Campo-Martínez, Garau-Vadell & Martínez-Ruíz, 2010; Jeong & Holland, 2012; Nicoletta & Servidio, 2012; Baloglu, Henthrone & Sahin, 2014; Pratminingsih, Rudatin & Rimenta, 2014). Thus, image is assumed to be an extremely relevant factor in analyses of tourist behaviour before, during and after trips (Moutinho, 1987; Chon, 1990; Bigné, M. Sánchez & J. Sánchez, 2001; Kim & McKercher, 2009). Based on this assumption, researchers posit that image affects tourists' level of satisfaction with experiences (Phelps, 1986; Chon, 1990; Bigné et al., 2001; San Marin & Del Bosque, 2008; Chi & Qu, 2008; Prayag, 2009; Pratminingsih et al., 2014; Puh, 2014; Munhurrun, Seebaluck & Naidoo, 2015), influences tourists' intention to visit/revisit tourist destinations (Court & Lupton, 1997; Seabra, Abrantes & Lages, 2007; Qu, Kim & Im, 2011) and has an impact on intentions to recommend destinations to family and friends (Pearce, 1982; Joppe, Martin & Waalen, 2001; Bigné et al., 2001; Govers & Kumar, 2007; Choi, Tkachenko & Sil, 2011; Qu et al., 2011; Kim, Hallab & Kim, 2012; Pandža Bajs, 2013; Zhang, Xiaoxiao, Cai & Lu, 2014).

According to San Martín and Del Bosque (2008), satisfaction can be understood as an individual, cognitive and affective state, which derives from tourist experiences and leads to tourists' loyalty to destinations (Chi & Qu, 2008; Munhurrun *et al.*, 2015; Özdemir & Şimşek, 2015). Studies of tourist loyalty towards particular destinations take into account travellers' behaviour towards destinations, that is, tourists' intention to revisit and recommend (San Martín & Del Bosque, 2008; Chi & Qu, 2008; Alegre & Garau, 2010; Prayag & Ryan, 2012; Pratminingsih *et al.*, 2014). By considering the influence of image on these elements, researchers can affirm that this indirectly influences tourists' loyalty (Pandža Bajs, 2013).

Based on the above findings, the following hypotheses were developed:

Hypothesis 1: Overall destination image influences satisfaction, recommendation and return intentions.

Hypothesis 2: Satisfaction influences tourists' recommendation and return intentions.

## 3. METHODOLOGY

According to Turismo de Portugal (2013), in the Azores, in 2012, the islands' internal market generated 43% of total overnight stays, while their foreign markets generated 57%. The major source markets for the archipelago are Germany (22%), Spain (11%), Holland (11%), Sweden (8%) and Denmark (7%). The cited organisation also verified an increase in overnight stays by visitors from the US, France and Belgium (14%).

The present study's universe was defined based on the number of guests, categorised according to their country of residence, who visited São Miguel Island between January and November 2014, which corresponds to 155,620 guests (SREA, 2014). The sampling method used was stratified probability, and the sample size calculation was performed based on a margin of error of 5%, yielding 384 respondents.

In accordance with the above discussed literature review and to achieve the outlined objectives, a questionnaire was prepared. This included four closed-ended questions, in which respondents were asked, first, to classify the Azores' overall image and, second, to classify their level of satisfaction with the archipelago. The third and the fourth questions were included to determine the likelihood of recommending and returning to the Azores. The questionnaire also included a group of questions about sociodemographic characteristics (i.e. gender, age, marital status, education, country of residence and gross monthly income).

The questionnaire applied a structured technique of data collection, that is, closed-ended questions. To measure the destination's overall image, a five-point Likert scale was used, ranging from 'very negative' (1) to 'very positive' (5). The method applied to measure satisfaction was also a five-point Likert scale, ranging from 'very unsatisfied' (1) to 'very satisfied' (5). Regarding the likelihood of recommending and returning to the Azores, a five-point Likert scale from 'very improbable' (1) to 'very probable' (5) was used.

Data collection was carried out between May and August 2015 in the vicinity of the main attractions of Ponta Delgada and Ribeira Grande, both cities on São Miguel Island. The questionnaire was developed in two languages: Portuguese and English. The data obtained were subjected to analysis using IBM's SPSS Statistics 23.0.

## 4. RESULTS

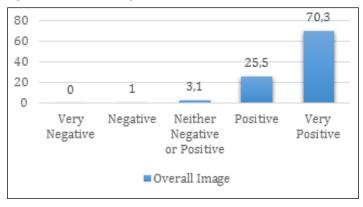
## 4.1 Sample

According to the results, the sample included more male respondents (223 respondents = 58.1%) than female ones (161 respondents = 41.9%). Among the respondents, 31.5% were between 46 and 56 years old, and 59.4% were married. In regards to education, more than half (73.2%) had a university degree, and the largest group (36.2%) earned between 1,001 and 2,000 euros monthly, followed by the group earning 2,001 to 3,000 euros (28.1%).

## 4.2 Overall image, satisfaction and return and recommendation intentions

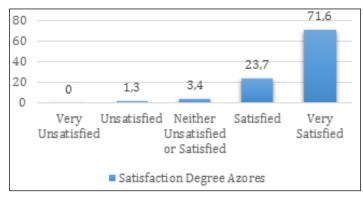
The respondents' perception of the Azores' overall image is mostly either very positive (70.3%) or positive (25.5%) (see Figure 1). Moreover, the majority of tourists (71.6%) are very satisfied with the archipelago (see Figure 2).

Figure 1. Overall image of the Azores as a tourist destination



Source: Authors

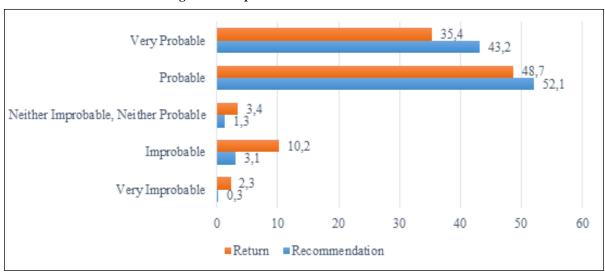
Figure 2. Level of satisfaction with the Azores as a tourist destination



Source: Authors

When asked about their behavioural intentions, the majority of respondents (52.1%) said that they would probably recommend the destination. With an equal degree of probability 48.7% of respondents intended to return (see Figure 3).

Figure 3. Respondents' behavioural intentions



Source: Authors

## 4.3 Test of research hypotheses

Spearman's correlation was used to test the first hypothesis, which focused on the influence of overall image on satisfaction and recommendation and return intentions. This statistical test verified a positive correlation between overall image and level of satisfaction. A positive correlation was also verified between overall image and return and recommendation intentions (see Table 1).

Table 1. Spearman's correlation for overall image

		Satisfaction Level	Recommendation	Return
Overall Image	Correlation	0.789**	0.253**	0.225**
	Sig. (2-tailed)	0.000	0.000	0.000
	N	384	384	384

Note: \*\* Correlation is significant at the 0.01 level (2-tailed)

Source: Authors

The results show that tourists who report having a positive overall image have a lower level of satisfaction compared to those who have a very positive image (p = 0.000). In addition, guests who have a less positive overall image of the archipelago have a lower probability of returning and recommending the destination (p = 0.000) (see Table 2).

Table 2. Parameter estimates for overall destination image

						_	95% Confidence Interval	
		Estimate	Std. Error	Wald	df	Sig.	Lower Bound	Upper Bound
	[Satisfaction Level = 2]	-42.444	3,896.390	0.000	1	0.991	-7,679.228	7,594.339
Threshold	[Satisfaction Level = 3]	-7.987	0.778	105.261	1	0.000	-9.513	-6.461
	[Satisfaction Level = 4]	-2.765	0.258	115.049	1	0.000	-3.270	-2.260
	[Overall Image = 2]	-25.217	2,756.447	0.000	1	0.993	-5,427.753	5,377.320
Location	[Overall Image = 3]	-42.108	3,896.390	0.000	1	0.991	-7,678.891	7,594.675
Location	[Overall Image = 4]	-4.069	0.356	130.369	1	0.000	-4.767	-3.370
	[Overall Image = 5]	Oa	-	-	0	-	-	-
	[Return = 1]	-4.437	0.3398	124.229	1	0.000	-5.217	-3.657
Threshold	[Return = 2]	-2.435	0.193	158.517	1	0.000	-2.814	-2.056
Inresnoid	[Return = 3]	-2.092	0.174	144.763	1	0.000	-2.433	-1.751
	[Return = 4]	0.421	0.122	11.914	1	0.001	0.182	0.660
<b>T</b>	[Overall Image = 2]	-3.591	0.966	13.830	1	0.000	-5.483	-1.698
	[Overall Image = 3]	2.992	0.572	27.388	1	0.000	-4.112	-1.871
Location	[Overall Image = 4]	-0.437	0.227	3.690	1	0.055	-0.883	0.009
	[Overall Image = 5]	O <sup>a</sup>	-	-	0	-	-	-

Threshold	[Recommendation = 1]	-9.349	1.295	52.105	1	0.000	-11.887	-6.811
	[Recommendation = 2]	-5.959	0.728	67.077	1	0.000	-7.385	-4.533
Inresnoid	[Recommendation = 3]	-4.955	0.582	72.461	1	0.000	-6.096	-3.814
	[Recommendation = 4]	0.067	0.122	0.307	1	0.580	-0.171	0.306
Location	[Overall Image = 2]	-6.908	1.248	30.619	1	0.000	-9.355	-4.461
	[Overall Image = 3]	-6.377	0.876	53.020	1	0.000	-8.093	-4.660
	[Overall Image = 4]	-0.502	0.241	4.328	1	0.037	-0.974	-0.029
	[Overall Image = 5]	O <sup>a</sup>	-	-	0	-	-	-

Notes: Link function = logit; a This parameter is set to zero because it is redundant

Source: Authors

The second hypothesis explored the influence of level of satisfaction on return and recommendation intentions. The Spearman's correlation shows that satisfaction has a positive influence on behavioural intentions (see Table 3).

Table 3. Spearman's correlation for level of satisfaction

		Recommendation	Return	
Satisfaction Level	Correlation	0.310**	0.197**	
Satisfaction Level	Sig. (2-tailed)	0.000	0.000	
	N	384	384	

Note: \*\* Correlation is significant at the 0.01 level (2-tailed)

Source: Authors

The results show that the least satisfied tourists are less likely to return to the destination. They also are less likely to recommend the archipelago (see Table 4).

Table 4. Parameter estimate for level of satisfaction

			6.1.7	Wald	1.0		95% Confidence Interval	
			Estimate Std. Error		df	Sig.	Lower Bound	Upper Bound
	[Recommendation = 1]	-11.260	1.609	48.954	1	0.000	-14.414	-8.106
Thurshald	[Recommendation = 2]	-7.699	1.201	41.104	1	0.000	-10.052	-5.345
Threshold	[Recommendation=3]	-6.140	0.1004	37.377	1	0.000	-8.108	-4.172
	[Recommendation=4]	0.010	0.121	0.007		0.932	-0.226	0.247
	[Satisfaction Level = 2]	-8.799	1.519	33.542	1	0.000	-11.776	-5.821
Location	[Satisfaction Level = 3]	-8.128	1.269	41.036	1	0.000	-10.615	-5.614
Location	[Satisfaction Level = 4]	-0.736	0.254	8.389	1	0.004	-1.233	-0.238
	[Satisfaction Level = 5]	$O^a$	-	-	0	-	-	-
	[Return = 1]	-4.410	0.398	122.976	1	0.000	-5.189	-3.630
Threshold	[Return = 2]	-2.407	0.193	155.289	1	0.000	-2.785	-2.028
	[Return = 3]	-2.056	0.173	1,441.871	1	0.000	-2.394	-1.717
	[Return = 4]	0.475	0.122	15.241	1	0.000	0.237	0.714

Location	[Satisfaction Level = 2]	-3.139	0.855	13.480	1	0.000	-4.814	-1.463
	[Satisfaction Level = 3]	-3.020	0.554	29.689	1	0.000	-4.106	-1.934
	[Satisfaction Level = 4]	-0.210	0.232	0.814	1	0.367	-0.665	0.246
	[Satisfaction Level = 5]	O <sup>a</sup>	-	-	0	-	-	-

Notes: Link function = logit; a This parameter is set to zero because it is redundant.

Source: Authors

## 5. CONCLUSION

The main objective of this study was to understand tourists' overall image of the Azores, their level of satisfaction with the archipelago and the probability that they will return and recommend this destination. The findings reveal that tourists have a very positive overall image of – and a high level of satisfaction with – the Azores. The results also confirm that a considerable percentage of tourists intend to return and/or recommend the destination.

These findings confirm Hypothesis 1, which is congruent with the research results of Bigné *et al.* (2001), Chi and Qu (2008), Prayag (2009), Choi *et al.* (2011), Qu *et al.* (2011), Kim *et al.* (2012), Pratminingsih *et al.* (2014), Zhang *et al.* (2014), Puh (2014) and Munhurrun *et al.* (2015). Hypothesis 2 was also verified, which is in accordance with studies by San Martín and Del Bosque (2008), Chi and Qu (2008), Alegre and Garau (2010), Prayag and Ryan (2012), Pratminingsih *et al.* (2014) and Munhurrun *et al.* (2015).

Understanding the processes and outcomes of the tourist-destination relationship is extremely important because, based on this connection, destination managers can create, develop and implement successful marketing campaigns to attract tourists and build long lasting emotional bonds between visitors and tourist destinations. This research makes an important contribution not only because it fills a gap in the context of tourism studies about the Azores but also because it provides necessary information to local managers, since the results contribute to a more accurate understanding of tourists' behaviour in regards to the archipelago. This study provides evidence about the power of image in consumer behaviour.

As with all research, the current study has several limitations. First, the Azores archipelago is composed of nine islands and the aforementioned survey was only conducted on one of them – São Miguel Island – so it would enrich the findings to extend the data collection to other islands. Second, this study measured tourists' satisfaction using a single questionnaire item, whereas it would be more appropriate to utilise a multiple-scale attribute measurement tool that could provide destination managers with more specific data. Last, this research only examined tourists' behaviour and destination image for a short period of time. Therefore, future studies would need to conduct a longitudinal study to track changes in tourists' destination image perception and consumer behaviour.

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