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An empirical survey on perceived value from tourism destination based on brand equity model: A case study of Qeshm Island

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ABSTRACT

Tourism destination brand equity is defined as all assets (or debts) of brands provided with name and symbol of tourism destination to make changes in value services of experiences. In many cases, brand equity is more than physical assets. This survey performs an investigation to identify effective factors in tourism destination equity, cause and affects relationships, and proposes a model for perceived value of tourism destination. The proposed study is performed in one of free islands named Gheshm. The preliminary results indicate that there is a positive relationship between tourism destination brand awareness and destination brand equity, tourism destination brand image, destination brand equity and tourism destination brand loyalty.

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1. Introduction

Tourism industry has developed over the decades with an increased rate and it is a significant source of income for developing nations. Tourism plays a critical role in nations' economy and it includes many activities to serve different groups of tourists. Therefore, tourism encompasses phenomena and relationships resulted from interactions among tourists, suppliers and sellers of tourism goods, nations, and societies (Moon et al., 2011). Today, tourism activities are identified as some of the most important actions in the world. International tourism income increased between 1990 and 2005 from $ 279 million to $ 680 million (World Tourism Organization, 2005). Most part of this income comes from tourism especially coastal tourism. Coastal tourism is accounted as the fastest growing tourism industry.

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Coastal cities can benefit from facilities and tourism conditions for developing their economic situations and enhancement of regions image (Lee et al., 2005). Hence, identification of incremental factors of tourism destination brand equity can be accounted as a challenge for tourism marketers and stakeholders. To measure brand equity, there are few tools based on consumers (Blain & Ritchie, 2005). According to brand equity derived from costumers' perceptions, it is important for managers to measure and to evaluate this equity based on costumers (Keller, 2003).

In this paper, influenced factors on tourism destination brand equity effectiveness are considered and we propose a model from tourism destination perceived value. The aims of this survey are to identify effective factors on tourism destination brand equity, to develop different models based on tourism destination brand, to find demotions of tourism destination brand structure, and to test cause and effect relationships among factors composed proposed model of research.

2. Literature review

2.1. Destination brand Equity (DBE)

All assets (or debts) of brand is provided in linked with name and symbol of tourism destination, which increase (or decrease) in value of services (Boo, & Baloglu, 2008). Brand equity is a kind of value that a product is named by it and increases customer loyalty and can lead to long-term advantages (Keller, 2003). In customer-base approach, brand equity focuses on costumer knowledge about brand (Keller, 1993).

2.2.Destination brand awareness(DBA)

DBA identifies awareness from a particular brand as a power of a purchaser in readout that put brand in special classes of products (Aaker, 1991). In this survey, means of brand awareness is the ability in distinction and remember potential tourists about Gheshm Island tourism brand as a tourism destination.

2.3.Destination brand loyalty(DBL)

Loyalty is a kind of tourism destination attributions, which impacts on the goals of visiting and suggesting a destination to others in future. Every person with positive view to a tourism destination can play a key role in word-of-mouth advertising (Konecnik & Gartner, 2007). According to Hill and Alexander (2000) loyalty means the requirements to consistently meet customers' needs. Loyalty is also a kind of behavior of repeating purchases, which reflexes consciously decision making for continuing purchase of a brand (Qaemi , 2012).

2.4. Destination brand image (DBI)

Brand image is a perception from brand, which reflexes in consumer mind by association of brain nodes. Brand image is not necessarily an objective and in terms of brand image, reality has less importance than reality perception. In summary, brand image of a service can be a subjective mine phenomena (Woodward ,2000).

2.5. Destination brand quality(DBQ)

Destination brand quality is defined as "consumer perception from total quality of a product or service than others options" (Zeithaml,1988). Perceived quality is a competitive necessity and today,

most firms adapt themselves to costumer-based quality as a strategic weapon (Atilgan et al., 2005). In fact, perceived quality is not a real quality of product, but subjective evaluation of costumer from product (Zeithaml, 1988). Table 1 demonstrates some of the related research works in the literature.

Table 1
Summary of research literature

No.	Author	Description	Results
1	(Aaker, 1991)	He was the first person in conceptualization of brand equity and represented a model based on both behavioral and perceptional. He introduced five factors for evaluation of brand equity.	1: brand awareness, 2: brand association, 3: perceived quality, 4: Royalties, 5: brand loyalty
2	(Keller,1993)	He defined brand equity in customer base, and he believe that brand equity depend on brand knowledge and based comparing with a nameless product.	Two structures for brand equity at customer-based brand equity: 1: consumer knowledge 2: consumer reaction
3	(Simon & sullivan,1993)	These two researchers analyzed brand equity in two dimensions: financial and performance in market, and introduced four factors for resources of brand equity.	Factors of brand equity: 1: advertising cost and other promoted activities for brand 2: brand age 3: order of entrance to market 4: advertising share
4	(Munzo,2004)	They represented indicators for relation between brands and their business performance. In this paper, they survey necessary indicators of measurement of brand equity in three classifications.	necessary indicators of measurement in three groups: 1: financial, 2: performance, 3: perceptional.
5	(Salinas & Ambler, 2009)	They categorized different ways of brand evaluation based on various views and their conformity with different functions. They explored only one dimension for this.	Finding of their showed that only financial indicator is a measurement indicator for brand equity.
6	(Kartono & Rao, 2005)	They considered financial indicators of brand in paper in titled linked between consumer-based brand equity and brand market performance.	They suggested a integrated view for brand equity management that generated through a econometric model, with supply and demand.

Based on mentioned-above literature, the following hypotheses are developed and Fig. 1 shows the summary of the proposed model.

H_1: Destination brand awareness has a positive and significance impact on destination brand value in effectiveness of tourism destination brand equity.

H_2: Destination brand image has a positive and significance impact on destination brand value in effectiveness of tourism destination brand equity.

H_3: Destination brand image has a positive and significance impact on destination brand loyalty in effectiveness of tourism destination brand equity.

H_4: Destination brand quality has a positive and significance impact on destination brand value in effectiveness of tourism destination brand equity.

H_5: Destination brand quality has a positive and significance impact on destination brand loyalty in effectiveness of tourism destination brand equity.

H_6: Destination brand value has a positive and significance impact on destination brand loyalty in effectiveness of tourism destination brand equity.

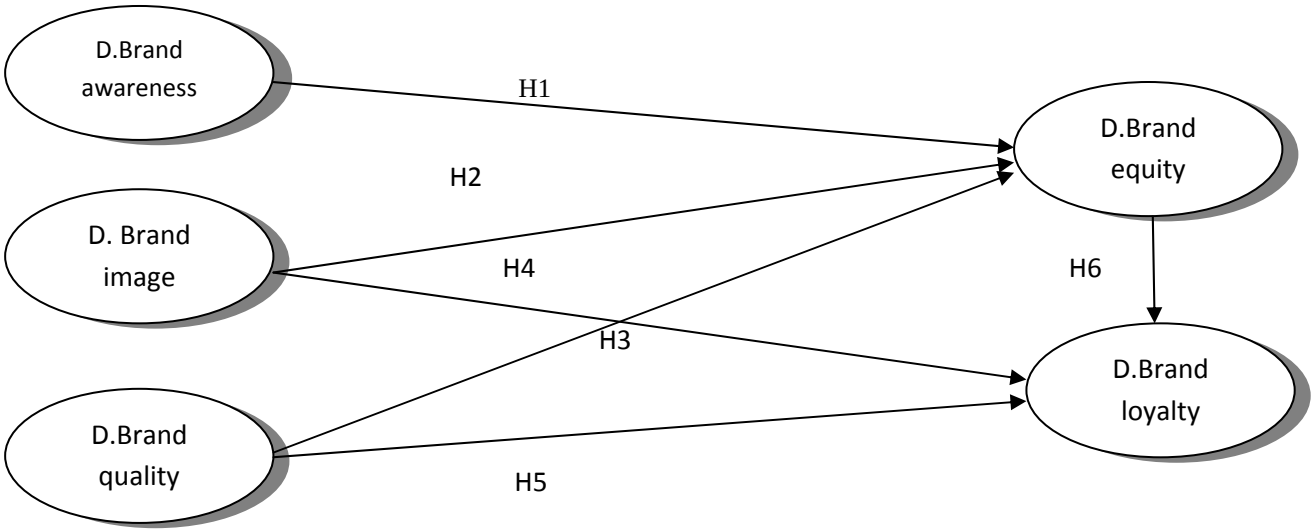

Fig. 1. Research conceptual model

3. Methodology

Survey population includes all people who visit Qeshm Island at least once a year. Since the population is unlimited we use cluster sampling based on the following formula,

$$n = \left[\frac{Z_{\alpha/2} \times \delta}{\varepsilon}\right]^2 = \left(\frac{1.96 \times 0.667}{0.072}\right)^2 = 329.68 \approx 332. \quad (1)$$

Therefore, 332 questionnaires distributed among tourists and finally, 308 are completed. The results of our survey have been analyzed using SPSS software package. Demographic data show that more than 76% of participants were male. Other information are shown in Table 3.

Table 3
Demographic data of population

		Number	Percent (%)
Sex	Male	236	76.6
Female		72	23.4
Age	20-30	150	48.7
31-40		119	38.6
41-50		27	8.8
>51		12	3.9
Graduate	Education	18	5.8
	Undergraduate	219	71.2
	Master	62	20.1
	Ph.D	9	2.9

The proposed model uses structural equation model (SEM), path analysis using LISREL software package. The reliability of survey has been verified based on Cronbach alpha and Table 2 shows the results.

Table 2
Reliability of variables

No.	Variables	Cronbach alpha
1	Tourism destination Brand awareness	0.89
2	Tourism destination Brand image	0.91
3	Tourism destination Brand quality	0.68
4	Tourism destination Brand value	0.78
5	Tourism destination Brand loyalty	0.88

4. Results

To analyze data gathered by questionnaire, one-way-sample test has been used and the results are shown in Table 4.

Table 4
Quality of variables

Research variables	Quality
Tourism destination Brand awareness	Suitable
Tourism destination Brand image	Suitable
Tourism destination Brand quality	Suitable
Tourism destination Brand value	Suitable
Tourism destination Brand loyalty	Average

To assure accuracy of measurement models of dependent and independent variables we use confirmatory factor analysis

4.1.Confirmatory factor analysis for research independent variables

Confirmatory factor analysis results of the second independent variable show that measurement model is suitable and all numbers and parameters are significant (Fig. 2).

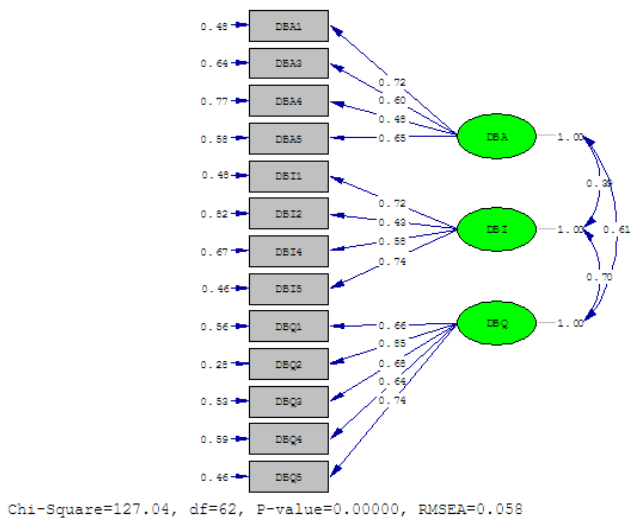

Fig. 2. Independent variables confirmatory factor analysis

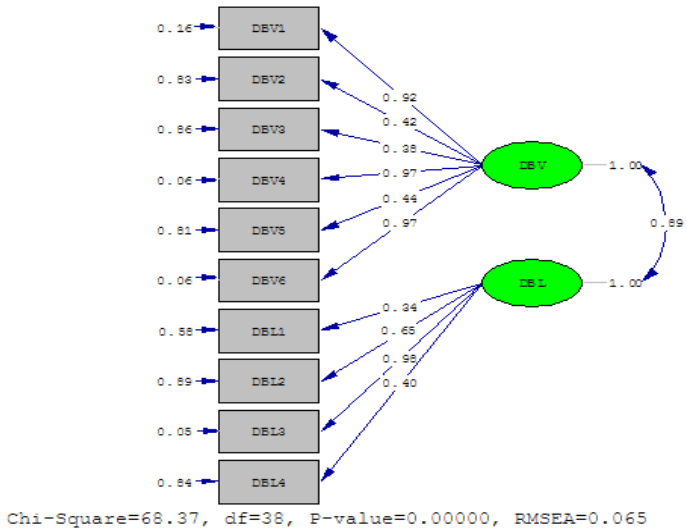

Fig. 3. Dependent variables Confirmative factor analysis

4.2.Dependent variables confirmative factor analysis

The results of confirmatory factor analysis results of the second dependent variable show that measurement model is suitable and all numbers and parameters are significant (Fig. 3).

4.3. Hypotheses testing by path analysis

The following structural model shows the relationship among independent variables including awareness of destination brand, destination brand quality, destination brand image, destination brand value and loyalty. In addition, this model shows positive and significant impact among all variables.

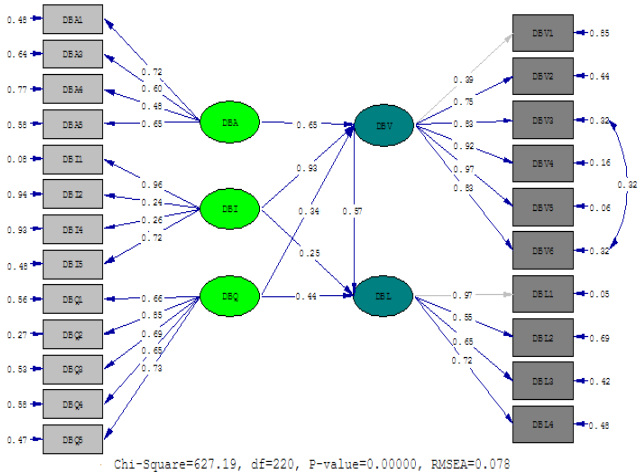

Fig. 4. The relationships among different variables

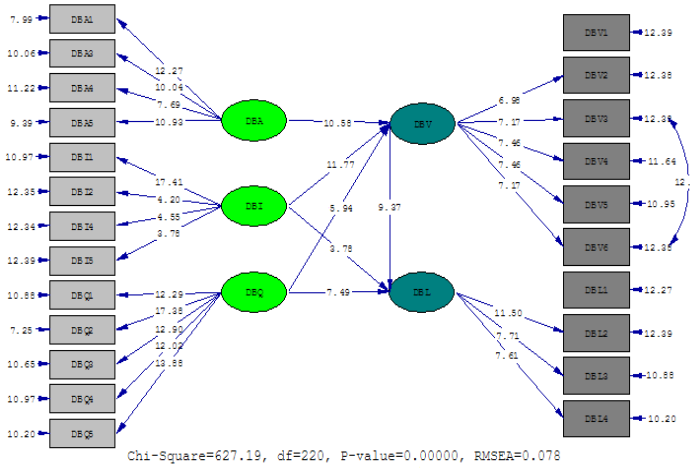

Fig. 5. Statistical test results among different variables

Goodness of fit indicators shows that model has a suitable fitness. Table 5 indicates other indicators associated with fitness and the results of hypotheses testing also are summarized in Table 6.

Table 5
Goodness of fit indicators

Indicators	Chi-Square/df	RMSEA	AGFI	GFI	NFI
Value	<3	0.078	0.91	0.9	0.92

Table 6
The results of testing hypotheses

hypotheses	Results
H_1: Destination brand awareness has a positive and significance impact on destination brand value in effectiveness of tourism destination brand equity.	Accepted
H_2: Destination brand image has a positive and significance impact on destination brand value in effectiveness of tourism destination brand equity.	Accepted
H_3: Destination brand image has a positive and significance impact on destination brand loyalty in effectiveness of tourism destination brand equity.	Accepted
H_4: Destination brand quality has a positive and significance impact on destination brand value in effectiveness of tourism destination brand equity.	Accepted
H_5: Destination brand quality has a positive and significance impact on destination brand loyalty in effectiveness of tourism destination brand equity.	Accepted
H_6: Destination brand value has a positive and significance impact on destination brand loyalty in effectiveness of tourism destination brand equity.	Accepted

5. Conclusion

According to research, all variables impact on brand equity, directly. The results of the first hypothesis showed that there was a positive and significant relationship between destination brand awareness and destination brand value. In fact, when consumer considers a purchase action, the first activity he/she performs is retrieval of information and tourist keeps in his/her mind for comparing several brands. Based on the impacts of hierarchy model, the role of placement marketing is in series of brands as people test product (Light, 1993). Brand plays an important role on motivating customers to remain faithful on a particular product. Therefore, brand must create further awareness within customer's goal to purchase. Based on the second and the third hypotheses, brand image and its association can impact on brand equity and loyalty via three ways. First, associations help information process and retrieval. Hence, they allow consumer to retrieve and to process information, simply (Aaker, 1991). This mass information can be useful for services brand especially, duo to complicated nature of services and it can contribute to marketing section in visual communication between product and consumer (Woodward, 2000). Second, associations can provide distinction points of product. Distinction acts as a barrier against competitors, hence, they create constant competitive advantages (Woodward, 2000). Finally, associations, which exist in customer's mind, can impact usage experience of product. Associations from a brand understood by a costumer influences on usage experience of intangible and Heterogeneous services than goods (Woodward, 2000). The fourth and the fifth hypotheses showed that there were positive and significant relationships between tourism destination brand value and destination brand quality and loyalty. In fact, perceived quality can create value and impacts on tourism destination brand equity and tourism destination brand loyalty via five ways as follow:

1: A reason for purchase, 2: Create a distinction, 3: Overpayment, 4: Distribution channel members tend to use higher perceived quality products, and 5: Brand development (Aaker, 1996).

Finally, in the last hypothesis mentioned that there was a positive and significant relationship between tourism destination brand value and destination brand loyalty. As a result, although loyalty to a brand is a source of brand equity, but loyalty to a brand is one of consequence of brand equity.

Based on the results of this study, we may suggest to design and perform a suitable advertising campaign to increase tourists' awareness in international level. We may also use some more impressive advertising to have better exposure in the free region's characteristics.

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