

Destination image and brand personality of new zealand marketing essay



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The sector of tourism is one of the fastest growing economic sectors in the world according to the World Tourism Organisation. For the last sixty years the international tourism arrivals expanded from 25 million to reach 940 million by 2010. While in 1950 the top 15 destinations absorbed 88% of the international arrivals, in 1970 the proportion was 75% and 55% in 2010, reflecting the emergence of new destinations, many of them in developing countries (WTO, 2011). As a result the competition in tourist business is fiercer than ever. Nowadays different places are competing more and more to increase their share of tourists, investments and business (Kotler, et al., 1993).

Morgan, et al., (2004) argue that service and facilities are no longer differentiators, because today most of the destinations have superb five-star resorts, attractions and services and every country claims unique culture and heritage. Furthermore tourists are spoilt by the huge choice of destinations that are very similar and consequently very substitutable (Pike, 2005). As a result, the need for destinations to portray a unique identity is more critical than ever (Morgan, et al., 2004). Hence to distinguish one destination from another and to attract more tourists, a certain image has to be created. In response to the global competition destination marketing organizations are employing branding initiatives to attract travelers and expenditures to their destination (Ekinici & Hosany, 2006).

Branding and brand image are well explored in the tourism and marketing literature, while brand personality, and its application to places and more specifically to tourist destinations, is relatively new and unexplored (Ekinici & Hosany, 2006). Murphy, et al. (2007) suggest that a brand personality need

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to be established in order to achieve effective destination brand that is linked to the visitor's self-image.

New Zealand is relatively small country overshadowed by a more powerful and bigger neighbor in the shape of Australia. Among the British consumer the existing perceptions of New Zealand happened to be quite negative (Dinnie, 2008). Furthermore the British consumers tended perceive New Zealand as an English suburb, mostly bungalows populated by sleepy people (Dinnie, 2008).

However, in order to change the existing negative perceptions towards the destination Tourism New Zealand created '100% Pure New Zealand' brand that was introduced for first time in July 1999. It was the first time New Zealand had one message in all of its tourism markets around the world. The brand was intended to provide a platform to double the country's foreign exchange receipts by 2005 (Tourism New Zealand, 2012). The campaign was developed to be succinct and clear – to communicate a single message about New Zealand that will capture the imagination of the consumers. The campaign happened to be real success the international arrivals increased from 1, 56 million in 1999 to 2, 38 million in 2005 (Ministry of Economic Development, 2011). Later the campaign evolved to 'New Zealand 100% Pure' that aimed to capture the imagination of different consumers around the world by communicating the special combination of activities, landscape, people and culture that create a uniquely New Zealand experience (Tourism New Zealand, 2012). The latest message introduced by Tourism New Zealand 'New Zealand 100% Pure You' aimed to personalize the holiday

experience and bring to life the diverse tourism experiences available in the destination.

Problem Statement

Morgan, et al.(2004) suggests that branding is one of the most powerful marketing tools available to the destination marketers who are facing with tourists looking for experience and lifestyle fulfillment rather than tangible elements of the product such as attractions and hotel accommodation.

Destination branding allows to create unique identity, to reduce destination substitutability and to differentiate from the competitive destinations.

Destination branding incorporate consumers perceptions about the destination identity as reflected by their previous knowledge (Cai, 2002).

Brand personality and brand image studies are relatively well studied in the generic marketing field while their application to tourist destinations is quite new and relatively unexplored area. Murphy, et al. (2007) argues that effective destination branding have to establish a brand image and personality that links to the consumer's self-image. Furthermore Ahmed (1991) claims that successful destination marketing depends mostly on the way the consumers perceive the destination. Destination images quite often are stereotypes that represent only an extreme simplification of the reality (Kotler, et al., 1993). Destination image and personality influences a consumer's decision making process when an alternative destination is considered (Ahmed, 1991). Consumer's attitudes and actions towards the choice of a holiday destination are highly influenced by the destination image (Jaffe & Nebenzahl, 2001). Consequently to manage and to

differentiate successfully destination image and personality, a clear understanding of the perceived image is needed of the potential and existing consumers. Researching the existing perceptions of potential visitors about the destination may provide the weaknesses and the strengths of the destination and may reveal an existing perceptual gap between the current image of the destination and the desired image.

Exploring the potential perceptual gap between the desired image of the destination and the actual image of the potential customers could be beneficial and could be utilized by the destination management organization. The study might be used to customize communication efforts, destination offerings, packages, and communication channels on a national level.

Value of this research

This research is important for number of reasons. First of all this study will attempt to shed a light on the application of branding theories to tourism destination. Destination image is relatively well investigated area while the application of brand personality to tourism destinations relatively new one and the research on application of branding personality to destinations is quite sparse has not been studied that often (Sahin & Baloglu, 2011; Hosany, et al., 2006). For that reason, this study is going to evaluate critically models and frameworks relevant to destination branding in terms of brand image and personality and their application to a tourism destination.

On the other hand the empirical research of this study will contribute in researching a potential perceptual gap between the desired image and

personality of the destination and the current perceptions of potential

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visitors. Discovering and recognition of existing perceptions about the destination may help identify factors that will contribute to the success of destination positioning efforts (Ahmed, 1991). Such information could be used by destination management organization in order to adapt their communication strategy.

Objectives and Goals

To evaluate critically the benefits of destination branding and to gain a clear understanding of brand image and personality and their application to a tourism destination.

To identify destination brand image and personality of New Zealand as a holiday destination and to identify potential perceptual gap between the desired image of the destination and the current image among the potential consumers.

To analyze the marketing efforts of destination management organization of New Zealand and to make recommendations for future development of the destination brand of New Zealand.

Research questions

Dissertation structure

This dissertations contains five chapters. Every chapter is briefly introduced below.

Chapter 1. Introduction.

The first chapter introduces the topic giving a brief background to the problem. This is followed by a justification of the topic and the value of the research. The part of the dissertation will also reveal the objectives and the goals of the research. Finally it will provide the structure of the dissertation.

Chapter 2. Literature review.

The second chapter of the dissertation will provide a literature review on the researched topic. It will provide a critical discussion on the dissertation topic of destination image and destination personality based on previous studies.

Chapter 3. Methodology and methods.

This chapter is going to reveal the adopted research philosophy and the research methodology of the dissertation. Furthermore, this part of the research will explain and justify the applied research strategy used to research the discussed frameworks and models in Chapter 2.

Chapter 4. Findings, Analysis and Synthesis

Chapter 5 will provide the results of the conducted primary research. It is going to present the findings of the questionnaire and the data will be presented in suitable graphs, charts and tables in order to provide clear and effective analysis.

Chapter 5. Implications, Future Research and Conclusion

Chapter five is going to conclude the dissertation providing the possible opportunities for further research. This part of the study will also provide the limitations of the research.

The dissertation ends with a full list of the references used in this study and a list of the appendices.

Literature Review

This chapter is going to make an overview of previous researches relevant to brand image, brand personality and their application to tourism destination. The beginning of the chapter will provide a brief introduction to branding and will give definitions of the key terms. This will be followed by a review of process of destination image formation and its components. The final part of this literature review will examine brand personality dimensions and its application to tourism destinations.

Brand.

According to the American Marketing Association brand is a ' name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers'. Doyle (1993) gives a similar definition for a brand adding that the brand is a combination of the mentioned elements giving the branded product sustainable differential advantage. These definitions are more product orientated. However a brand is not only a name or a symbol that differs one product or service from others, it is all the different things that the consumer thinks and feels when he or she sees the company's symbol (Moilanen & Rainisto, 2009). A brand is

a set of emotional (intangible) and functional (tangible) values that provide the consumer a unique opportunity for selection (Lynch & De Chernatony, 2004; Moilanen & Rainisto, 2009). Both Pride (2004) and Moilanen & Rainisto (2009) argue that brands represent a promise of value and prompt beliefs, evoke emotions and incite behaviors. With the change of the economic situation and the increasing fierce competition among the companies Kapferer (2012) points out that today the brands are not only in the products, neither in the people's minds and cannot be reduced simply to a benefit. However the author suggests that the brand has to create community due to the dominant role of internet and social media. To reflect all the recent changes in our society and economy and Kapferer (2012, p. 12) defines the brand as ' a name that symbolizes a long-term engagement, crusade or commitment to a unique set of values, embedded into products, services and behaviours, which make the organization, person or product stand apart or stand out'.

Brand equity.

As the brand is making products, services and organizations to stand out from the rest, such advantage for every product or service contain value - brand equity. Brady, et al. (2008) explains that brand equity is a belief or perception that is much more than a mere familiarity but it extends to superiority that creates value for both consumers and the brand owner. Both Keller, et al. (2008) and Kapferer (2012) argue that brands create valuable assets in the hearts and minds of the consumers that have also financial value. Furthermore brands have to be considered as set of assets that may add to the value delivered by the service or a product or even they may also

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subtract from this value (Aaker, 2002). There is a general agreement among the authors that the brand equity consists of several major categories that increase the brand equity, such as brand loyalty, brand awareness, brand associations and perceived quality (Aaker, 2002; Salzer-Morling & Strannegard, 2004; Kapferer, 2012; Keller, et al., 2008).

However, destinations can also take advantage from this set of assets. Moilanen and Rainisto, (2009) point out that the key issue for decision making for destination consumers is the perceived quality. In the case of destination marketing functional benefits do not have a significant role, while the major driver for satisfaction of the consumers is the perceived quality. Moreover destination brands are quite similar to corporate umbrella brands and is related to many diverse products – portfolio of investment, leisure and business tourism, and stakeholder welfare products which have various consumers (Moilanen & Rainisto, 2009; Balakrishnan, 2009).

Tourism destinations.

There is not widely accepted definition for a tourism destination and many authors give different definition or a different nuance. The World Tourist Organisation (WTO) defines tourism destination as ‘ the place visited that is central to the decision to take the trip’. This is supported by Metelka (1990) who define a destination as a geographical area to which a person is travelling such as a village, a town or a country. However such definitions are very general and could be applied to a wide variety of places ranging from a single attraction such as Disneyland to a country as Australia. Buhalis (2000) agrees with Davidson & Maitland (1997) acknowledging the

complexity and multidimensionality of the tourism destinations. The authors argue that destinations offer amalgams of tourism products and services providing multidimensional experience to the consumers under the brand name of the destination. Moreover tourism destinations share a number of characteristics such as public authority, host community and other economic activities that may support or conflict with tourism activities (Davidson & Maitland, 1997). It appears that destinations are much more than a simple product or a service since in the destinations are engaged not only the visitors but also the local people, businesses and authorities.

Destination branding

Destination branding is a relatively new concept, in comparison to the traditional branding of products, that include elements of service, product and corporate branding (Balakrishnan, et al., 2011). The core purpose of destination branding is to build positive and favorable image of the destination that differentiates and identifies the destination by a consistent mix of brand elements (Qu, et al., 2011). However destination branding appears to be a more complex concept than the traditional branding of services and products. Pike (2005) argues that branding a destination is much more than simple articulation of a destination slogan but it is much more challenging and complex to manage for several reasons:

Multidimensionality of the destinations (Pike, 2005; Buhalis, 2000; Davidson & Maitland, 1997).

Huge variety of stakeholders with different and often conflicting interests (Pike, 2005; Morgan, et al., 2003).

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Destination marketing is part of public sector and could be hindered by variety of political pressures (Pike, 2005; Morgan, et al., 2003).

Difficulty of application of consumer-based brand equity models in terms of brand loyalty (Pike, 2005)

Inconsistent and scarce funding (Pike, 2005; Morgan, et al., 2004)

On the other hand destination brands are also similar to product and services, built up of both symbolic (intangible) and functional (tangible) attributes (see Figure 1 below) (Balakrishnan, 2009).

A research conducted by the author shows that consumers prefer brands on the basis of their intangible qualities rather than functional properties. This is supported by Hosany, et al. (2007) who argue that the consumers' choice of a destination is highly influenced by the image of the destination.

Moreover a favourable destination image and a distinctive brand personality can create a set of positive associations in consumer mind and may lead to stronger emotional ties to the destination brand (Hosany, et al., 2007).

Destination brand choice.

As already discussed, from marketing point of view destination brand represent a set of intangible (emotional) and tangible features communicated to the tourist through brand elements to facilitate brand choice. On the other hand from consumer's point of view the destination brand is a combination of perceptions linked to several destinations experiences sold under a specific brand name (Prayag, 2010). The process of destination choice is complex, structured and sequenced and is influenced <https://assignbuster.com/destination-image-and-brand-personality-of-new-zealand-marketing-essay/>

by potential visitors' motives, attributes of the destination and personal characteristics (Prayag, 2010). Therefore, potential visitors' perceptions of the destination are affecting the process of destination choice and depending on these perceptions, potential visitors may include or exclude the destination from their consideration set. Tourist perceptions about the destination emerge from the image of the destination derived from induced and organic sources (Prayag, 2010; Jenkins, 1999). Induced image refers to promotional and marketing efforts through different communication channels, while the organic image is function of non-commercial sources such as actual visitation and word of mouth, and is much more difficult to control.

Destination image is important factor on determining tourist behavior in terms of intention to visit/revisit, preferences and decision making. However, destination image is only one of the factors influencing destination choice. Prayag (2010) argues that destination choice is complex for the consumer and suggest that there are three dominant factor - destination image, motives and consumers' own characteristics (age, income, occupation, household size). Given the topic of this study the next section will discuss in depth destination image

Destination Image

Nowadays tourists are offered huge variety of destinations claiming unique features and ultimate travel experience. Destination's offerings are quite comparable and therefore substitutable. As a result destinations are competing fiercely for more visitors. It is crucial for destinations to

differentiate from the competitors and to create a memorable and positive image in the minds of the potential visitors (Sahin & Baloglu, 2011).

Furthermore Balakrishnan, et al. (2011) add that brand image may create perceptual difference when differentiation between tourist destination is relatively low. Tourist destination images are important because they have huge influence on both the decision making behavior of the potential visitors and the levels of satisfaction regarding the visitors' experience (Jenkins, 1999).

Destination image concept is relatively well researched since the early 1970s and has a central role of the tourism research (Hosany, et al., 2006).

Destination image is a valuable theory in terms of understanding the process of selection of holiday destination of the tourists (Baloglu & McCleary, 1999a). There is a general agreement among the authors about the definition of the brand image. Brand image is generally defined as all the perceptions about a brand reflected by the brand associations held in the consumers' memory (Keller, et al., 2008; Hosany, et al., 2007; Qu, et al., 2011; Sahin & Baloglu, 2011). Adapting this definition to tourist destination image it appears that destination image is all the perceptions about the destination held in the memory of the potential and current visitors. All this associations towards the brand influence consumers' evaluation about the brand respectively the brand choice in terms of intentions to purchase or visit (Qu, et al., 2011). However Hosany, et al. (2006) gives a more precise definition explaining that destination image is an attitudinal concept comprising of the sum of impressions, ideas and beliefs that the tourist holds of a destination.

6. 1 Destination Image Formation.

Jenkins (1999) based on Gunn's (1972) research suggests a multi stage theory of formation of destination image. This approach involves a continuous forming and modification of destination images (see Figure 8). The initial stage includes formation of organic image based mainly on non-tourist information about the destination such as books, news, documentaries and etc. The organic image is altered to induced image due the promotional and marketing efforts of the destination such as advertisements, brochures. The modified-induced image comes as a result of the personal experience of the visitor on site at the destination.

The suggested stage theory implies that the destination image held by non-visitors, potential visitors and returned visitors will be different. Baloglu & McCleary, (1999b) agree with Jenkins (1999) who argue that destination image varies between travellers who did not visited the destination and those who visited the destination. A research conducted by Baloglu & McCleary, (1999b) argue that travelers' images were modified after visiting a particular destination and significant differences existed between non visitors and visitors. Furthermore their study confirms that actual visitation and experience is leading not only to change of the destination image but also the positioning of the destination based on cognitive, affective and overall attractiveness. In terms of the suggested theory of destination image formation a mismatch might be expected b

6. 2. Components of Destination Image

Based on previous research Hosany, et al. (2006) agrees with Baloglu & McCleary, (1999a) who argue that destination image is a multidimensional construct that consist of two major dimensions - affective and cognitive (perceptual).

The cognitive dimension of the destination image refers to knowledge and beliefs about the physical, objective attributes of the destination (Sahin & Baloglu, 2011; Baloglu & McCleary, 1999a; Hosany, et al., 2006; Qu, et al., 2011; Kim & Perdue, 2011). In terms of cognitive evaluation a tourist evaluates the destination in respect to objective features of the place. As a result the more informed tourist about the positive features of the destination is going to make a more trustworthy cognitive evaluation.

However the affective stimulus that influences the destination image is related to the individuals' feelings towards the surrounding environments and attributes and the experiences provided there (Kim & Perdue, 2011; Beerli & Martin, 2004; Hosany, et al., 2007; Sahin & Baloglu, 2011).

Consequently the more appealing and attractive attributes of the destinations to the tourist are leading to higher and better the affective evaluation (Sahin & Baloglu, 2011).

Both Beerli & Martin (2004) agrees with Baloglu & McCleary (1999a) who argue that there is general agreement that the cognitive component is anterior of the affective component. Furthermore, it is regarded that the affective component of the destination image is formed as a function of the antecedent perceptual one. As a result Baloglu & McCleary (1999a) suggest that although that there is a clear distinction between the two dimensions they also interrelated.

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Due to the existence of such correlation between the affective and the cognitive dimension of the brand image some authors point out that the destinations are subject to overall evaluation of the tourists. According to Beerli & Martin (2004) the overall image is a result of the combination of the two major dimension of the destination image and it could be either positive or negative. The notion that the overall image is highly influenced by affective and cognitive evaluations is widely accepted (Qu, et al., 2011; Hosany, et al., 2007; Beerli & Martin, 2004). However, Sahin & Baloglu (2011) suggest that the overall and its dimensions can be different from each other and therefore should be measured separately gain better understanding for the relationships between them.

Figure 1 below represents a general model of formation of destination image based on previous literature and on the research of Baloglu & McCleary, (1999a) and Beerli & Martin, (2004). The model shows the two major forces that influence the formation of the destination image – personal and stimulus factors. The stimulus factors reveals external influences such as information sources that shape the evaluations and the perceptions of the tourists. On the other hand the personal factors reveal the individual beliefs about the characteristics of the destination based on exposure to external stimuli (Beerli & Martin, 2004). However, all these beliefs will be different according to the various internal factors of the consumer, such as sociodemographic characteristics and psychological nature (lifestyle, values, motivation, etc.). This model is valuable in terms of providing better knowledge of the factors and forces that determine the formation of the destination image, providing

the components that have impact on tourism destination image (Baloglu & McCleary, 1999a).

Although that the image components are hierarchally corelated to form the overall destination image Qu, et al. (2011) argues that both components - affective and cognitive have to be treated separately to examine their unique effects on tourists. This is supported by Sahin & Baloglu (2011) who point out that the overall image and each component should be measured separately to understand the relationships between them. However, according to a research conducted by Hosany, et al. (2006) the majority of studies assess only the cognitive component of the destination image and some exceptions assess both dimensions of destination image. This is supported by Prebensen, (2007) who argue that this is not surprising as most buyin behavioral process start with getting knowledge about the place, product or service and gathering information. Though, the authors do not suggest or recommend which approach is more beneficial.

Brand Personality

Brand image and destination image are relatively well researched topics, while the concept of brand personality and more specifically its application to a tourism destination is relatively new and not widely researched topic. Aaker (1997, p. 347) defines brand personality is a ' set of human characteristics associated with a brand'. Unique brand personality may create favorable and distinctive associations in consumer memory and therefore improve brand equity (Hosany, et al., 2007). Furthermore the authors argue that brand personality is important prerequisite for success of

any brand, in terms of choice and preference that may lead to greater loyalty, trust and establishing emotional links between the consumer and the brand. The application of this concept at more practical level means that brands' personality can be illustrated by descriptors such as extrovert, masculine, friendly, vibrant and etc. Moreover, Keller, et al. (2008) argue that consumers' choice of brands is very often consistent with their self-concept, although this choice usually matches with consumer's desired self-image, rather than their actual image.

Due to the lack of common brand personality theory and consensual classification of personality traits to describe products Aaker (1997) developed theoretical Brand Personality Framework. The framework consists of five dimensions of the personality: Competence, Excitement, Sophistication, Sincerity and Ruggedness (see Figure 3 below). This framework was developed based on extensive study including 37 brands rated on 114 personality traits. Moreover the validity and reliability of the study was confirmed through a scaling procedure and test-retest. However, Murphy, et al. (2007) argues that Aaker's approach and definition is relatively broad and integrates human features that are in the scope of brand identity. But the authors point out that a general agreement exist that consumers perceive brands as having personalities and that there are five dimensions of brand personality - ruggedness, excitement, competence, sincerity and sophistication (Murphy, et al., 2007).

Although that the concept that brands may possess human characteristics is widely accepted by both practitioners and academics, the theoretical explanation of product personality is relatively undeveloped (Ekinci & <https://assignbuster.com/destination-image-and-brand-personality-of-new-zealand-marketing-essay/>

Hosany, 2006; Hosany, et al., 2007). In order to be able to apply brand personality concept it is quite crucial to understand why people are endowing insentient objects such as brands with human characteristics. Ekinci & Hosany (2006) explains that it is quite common to encounter people who treat their laptop, computer or any other object as a family member or a friend. Such behaviour can be explained with the help of the anthropomorphism by the means of comfort and familiarity theories (Ekinci & Hosany, 2006). These theories suggest that the people are using themselves as models that help them to interpret the surrounding world. Furthermore the authors argues that people are not feeling comfortable with anything that is non-human and as a consequence people are anthropomorphising objects to facilitate interactions with non-material world. As a result the brands become active partners in consumer's mind and the brand choice becomes consistent with the consumer's self-image and more specifically for consumers who are sensitive to how the others see them (Keller, et al., 2008).

Destination Personality

Ekinci & Hosany (2006) adopted Aaker's terminology of brand personality and defined destination personality as the set of human characteristics associated with a destination. The authors applied Aaker's brand personality scale to measure destination personality and to assess whether the forty-two brand personality variables are applicable to their description of tourism destinations. However Ekinci and Hosany (2006) found out that only twenty-seven of the original forty-two traits are relevant to a tourism destination.

Furthermore the results of the research showed that tourists ascribe <https://assignbuster.com/destination-image-and-brand-personality-of-new-zealand-marketing-essay/>

personality characteristics to destinations and the brand personality scale is applicable to destinations. The findings of this study indicated not only the applicability of the brand personality scale to destinations but it also showed some limitations of the Aaker's framework when applied to destinations.

Ekinci and Hosany (2006) argue that the brand personality scale cannot be fully applied to tourism destinations. It appears that tourist destinations can be described on only three dimensions: sincerity, excitement and conviviality (Ekinci & Hosany, 2006). It was found that the three dimensions are valid and reliable and the dimensions of excitement and sincerity were the two main factors (see Figure 4 below). Attributes such as dependable and trustworthy characterise the sincerity dimension. However, this is not surprising as the tourists are always concerned about their personal security and vulnerable and risky destinations are always avoided. The next dimension, excitement encompasses traits such as original, exciting, daring and spirited (Hosany, et al., 2006). This is provoked mainly due to core reasons of a tourist to undertake a trip, for leisure and relaxation purposes. The third destination personality dimension, conviviality is new to Aaker's brand personality scale and is specific to destinations. The new dimension is consisting of the following