FACULTY OF BUSINESS

RESEARCH AND WORKING PAPER SERIES

VALUE-BASED DETERMINANTS OF TOURIST SATISFACTION UPON VISITING A FOREIGN CITY

By

Thomas E. Muller
School of Business
McMaster University
Hamilton, Canada

WORKING PAPER NO. 354

October, 1990

ER UNIVERSITY
eet West
ario, Canada L8S 4M4
5) 525-9140

VALUE-BASED DETERMINANTS OF TOURIST SATISFACTION UPON VISITING A FOREIGN CITY

By

Thomas E. Muller
School of Business
McMaster University
Hamilton, Canada

WORKING PAPER NO. 354

October, 1990

Value-Based Determinants of Tourist Satisfaction Upon Visiting a Foreign City

by

Thomas E. Muller

Faculty of Business

McMaster University

October 1990

This study was supported by Grant No. 494-85-0010 to the author from The Social Sciences and Humanities Research Council of Canada

Value-Based Determinants of Tourist Satisfaction Upon Visiting a Foreign City

Abstract

This empirical study of 364 U.S. tourists visiting Canada's largest city tested hypotheses from value theory about the determinants of overall satisfaction with the city visit. The goal was to reveal how personal values determine the specific sources of pleasant emotions, intention to revisit, and willingness to recommend the city following this touristic experience. Using peoples' personal values as clustering variables, three tourist segments were identified, each placing a different importance on the security-and-respect value group and the fun-enjoyment-excitement value group. The results partially confirm the general hypothesis that tourist segments with differing values derive their satisfaction from different aspects of the city visit--security aspects, experiential aspects and avoidance aspects. The findings offer the urban tourism marketer some guidelines for product development and marketing communication strategies that match a segment's value orientations so as to achieve satisfied tourists and repeat visitors.

Marketing scholars and practitioners are rapidly recognizing that human values play an important part in consumers' decisions. There is a growing appreciation for the fact that values govern a person's lifestyle and drive a consumer's interests, outlooks on life, consumption priorities and activities. Moreover, personal values are thought to determine what attributes a consumer will seek out in a product and, so, are partly responsible for the formation of attitudes toward brands, companies, and other marketplace options (Perkins & Reynolds 1988; Reynolds & Gutman 1984).

Such observations imply that personal values can be used, not only to define market segments, but also to better understand them. Recent attempts to enrich segment profiles include the measurement of a consumer's value orientations (Boote 1981; Grunert & Scherhorn 1990; Holman 1984; Kahle 1986; Muller 1989b), in addition to the conventional demographic or psychographic measures (Atlas 1984; Dhalla & Mahatoo 1976). If market segments can be profiled and understood in terms of personal values, then efforts to attract, appeal to, influence and satisfy consumers can be designed around a concept that is very close to basic motives, personality or psychological needs (Rokeach 1973).

Spotlighting international tourism in cities, one might expect that values similarly determine such things as a consumer's choice of destination or experiences, the travel or destination attributes that are important to the tourist, and the sources of pleasure or memorability arising from a visit to a foreign city. It is quite plausible, therefore, to hypothesize that tourists try to match touristic experiences with their personal values, and successful matches lead to satisfaction, intentions to repeat the visit, and favorable recommendations to others.

The purpose of this study is to apply value theory to the tourist's

experience of visiting a foreign city by testing hypotheses about the origins of overall satisfaction with the foreign visit. The aim is to demonstrate how personal values determine the specific sources of pleasure and satisfaction (or displeasure and dissatisfaction) that arise from such a visit. As such, the study might contribute to knowledge about the relationship between values and satisfaction/dissatisfaction in an area of increasing economic importance: international tourism. It might also suggest some decision-making tools or strategies for marketers, planners or policymakers in the tourism industry.

United States tourists visiting Metropolitan Toronto, Canada were surveyed before they left home, and again after returning home, to determine their personal values, satisfaction with fifteen aspects of their visit to the city, overall satisfaction with the visit and demographic profile. The study hypotheses were tested with these data.

Values and Consumer Behavior

Values are cognitive representations of various human needs, tempered by societal demands (Rokeach 1973). Thus, the values adopted by a person become guiding principles, and their relative importance reveal what this individual deems worthwhile in life. People have terminal values, i.e., desirable end-states of existence exemplified by labels like a sense of accomplishment, self-respect, warm relationships with others, security, an exciting life. In addition, they have instrumental values--desirable modes of conduct conveyed by adjectives like ambitious, cheerful, courageous, honest, imaginative, polite that enable them to achieve their terminal values. People typically possess a system of values, or value hierarchy, within which individual values have been prioritized or assigned a relative importance. Hence, the term

value orientation denotes the importance attached to a specific type of value. The term personal value is used so as to distinguish a consumer's individual values from the broader societal values of a culture.

One aspect of personal values is their indirect impact on preferences for products and brands. In search of value fulfillment, consumers seek out, identify with and consume products and services that can deliver attributes and "consequences" related to specific personal values (Perkins & Reynolds 1988; Reynolds & Gutman 1984; 1988). Similarly, certain everyday activities (Gärling, Lindberg & Montgomery 1987) and leisure/recreational alternatives (Pitts & Woodside 1986) are cherished or pursued by consumers trying to fulfil their value orientations. Thus, research findings which help identify segments possessing common value orientations allow the marketer to design products (bundles of distinct benefits) and promotional strategies that remain consistent with a segment's values.

The relationship between personal values and touristic behavior is a recent area of academic enquiry. In an early study, Vinson and Munson (1976) measured personal values and found that the appeal of travel, in general, to two segments which were a generation apart was positively related to the importance attached to two terminal values: an exciting life and pleasure. The higher the priority a person placed on these values, the more attractive was the idea of travel. Boote (1981) found that consumer preferences for one of two national chains of family restaurants could be revealed by segmenting this market on the basis of personal values, but not on the basis of demographic characteristics. His study showed that segmentation based on personal values can yield far more useful information about the market than segments defined by conventional demographic profiles. The restaurant chain could now appeal to the dominant values of a given segment (e.g., individuality, leisure

orientation) by incorporating these values in its advertising copy and associating them with restaurant attribute strengths that were found to correlate highly with specific value orientations (e.g., has unique entrees, is a comfortable place to eat). Pitts and Woodside (1986) studied the relationship between personal value orientations and the importance attached to 10 recreational/travel activity criteria that a person would consider when evaluating various weekend travel attractions like theme parks, beach locations, or state parks offering camping facilities. After benefit segments with similar choice criteria had been identified, it was found that these same segments were also differentiated by the dominant personal value orientations of segment members. Thus, an effective strategy for drawing the potentially most fruitful traveller segments to a given attraction would be to show how a particular attraction fulfilled a segment's values.

In a study of city residents' priorities, Muller (1989a) found that having access to many fine restaurants in a city is important to the same people who place a high priority on excitement and fun and enjoyment in life--values given a lower priority by most of the population (see Kahle, Poulos & Sukhdial 1988). This is clearly a segment which seeks fun and excitement and sees haute cuisine or ethnic restaurants as one way of actualizing values that are expressive of sensory needs. It wants menus that can stimulate the senses, restaurants that have the exciting appeal of anticipation, innovativeness, or exotic variation. Travel destinations that can offer the visitor this kind of culinary experience are likely to be attractive to a tourism segment which, more than other segments, values a life of fun and excitement.

The Study

Survey Design

United States residents planning a pleasure trip to Metropolitan Toronto during the summer months were surveyed at home, about a week before their departure for Canada. Names and telephone numbers were obtained from the reservation lists of nine hotels in the Metro Toronto area. The hotels were sampled systematically, so that their room rates ranged from medium to high and their locations varied from downtown to highway sites near the fringes of the city. Budget hotels were excluded.

In scanning the hotel reservations, all entries giving a U.S. home address and telephone number, for a stay of at least two nights, with an arrival date at least one week away, were included in the tourist sample. The person named on the reservation was the person interviewed. For reservations naming couples, interviews alternated between females and males, within couples, once telephone contact had been made with that household. This produced a sample of 49% male and 51% female respondents.

Respondents were screened to ensure that this was a visit for pleasure, not for business. Interviewing was done from central research facilities and the entire interview was computer assisted, with answers being entered directly on the keyboard. To negate any response bias due to question order, multiple items within blocked questions always appeared in a different randomized order, from interview to interview, on the interviewer's computer screen. During this phase of the survey, data were obtained on the respondent's personal values, history of prior visits (if any) to Toronto, self-rated experience as a traveller, self-rated knowledge of Toronto, expected duration of visit, and demographic background.

A week or so after respondents returned home, they were reinterviewed

and asked about the quality of their experience on 15 aspects of Toronto, their emotional reactions to the visit, and their intentions to recommend Toronto to others and to visit again. In all, 364 respondents completed both parts of the survey.

Visit Experience Measures

Measures chosen to represent the touristic experience in a large city should be salient to a broad cross-section of international urban tourists and include urban environmental factors which would likely affect the visitor. A set of 15 variables with these properties was developed after consulting several sources:

1. Touristic attractiveness criteria that have been found to correlate highly with travel behavior (Gearing, Swart & Var 1974; Var, Beck & Loftus 1977);
2. The most important experiential variables from a nationwide survey of potential United States pleasure travellers to Canadian cities (Tourism Canada 1986);
3. Boyer and Savageau's (1985) urban livability measures that would be of relevance to big-city visitors;
4. The potential richness of the big-city experience deserves measures that capture experiential aspects of a visit (cf. Holbrook & Hirschman 1982);

The attributes used are listed in Table 1. Respondents' satisfaction on these variables were elicited via 10-point rating scales, from "1" ("you disagree completely") to "10" ("you agree completely"). A factor analysis showed that the 15 items reduce to three factors (minimum eigenvalue = 1) accounting for 50.2% of the variance in the 15 measures. From the variable loadings on each factor shown in Table 1, it appears that the principal components of the visit experience are

a) A "security" aspect that evaluates personal safety, hygiene, neatness, social interactions, and physical surroundings;

b) An "experiential" aspect capturing the quality of things to do and see;

c) An "avoidance" aspect that reflects the presence of negative elements like crowds, traffic, bad weather and a lack of familiar cues.

Table 1

Visit Experience Satisfaction Variables and their Loadings on Three Factors

Variable	Factor labels: Level of satisfaction with... Security aspects	Experiential aspects	Avoidance aspects
Felt quite safe from crime	.71	.15	-.02
Was a very clean, well-kept city	.71	.19	-.09
Was a great place for walking, strolling	.66	.36	-.07
People were very friendly and helpful	.64	.30	-.21
Was easy to find, get to places of interest	.53	.24	-.16
Had great scenic beauty	.52	.48	.06
Hotel accommodation met my standards	.46	.24	-.29
Prices in the city were reasonable	.33	.30	-.16
Had lots interesting nightlife/entertainment	.20	.72	-.04
Had much to offer in arts and culture	.22	.69	.01
Was a great place to go shopping	.38	.65	.09
Had a large variety of good restaurants	.39	.61	-.08
Was a very crowded and congested city	-.24	.25	.68
As a visitor, I felt like a stranger in city	-.17	-.05	.66
Weather was very unpleasant during my visit	.40	-.41	.54

Personal-Value Measures

Tourists also reported how important to them (1 = "not important" to 10 = "extremely important") was each of nine values: self-respect, security, warm relationships with others, a sense of accomplishment, being well respected, fun and enjoyment in life, a sense of belonging, self-fulfillment, and excitement. This is the "List of Values," developed at the University of

Michigan Survey Research Center (Veroff, Douvan & Kulka 1981, pp. 142-146) and based on the work of Maslow (1954), Rokeach (1973) and Feather (1975).

In order to reduce the individual data to a market-segment level so that clusters of tourists with common value orientations could be identified, scores on the nine personal values were used as clustering variables in a hierarchical cluster analysis. The goal was to detect a relatively small number of visitor clusters of sufficient size to make them statistically meaningful. The three largest segments that emerged had sample sizes of 215, 78 and 23 visitors. The remaining 48 individuals were dispersed among 19 clusters (of eight tourists, or less) and were removed from further analysis.

Next, a three-group discriminant analysis was performed in order to profile the clusters by their value orientations. To confirm the ability of the nine personal values to discriminate among the three segments, the total sample was split randomly, with one half of the cases being used to derive the discriminant functions and the remaining cases serving for validation during

Table 2

Classification Results for Hold-Out Sample
From Three-Group Discriminant Analysis

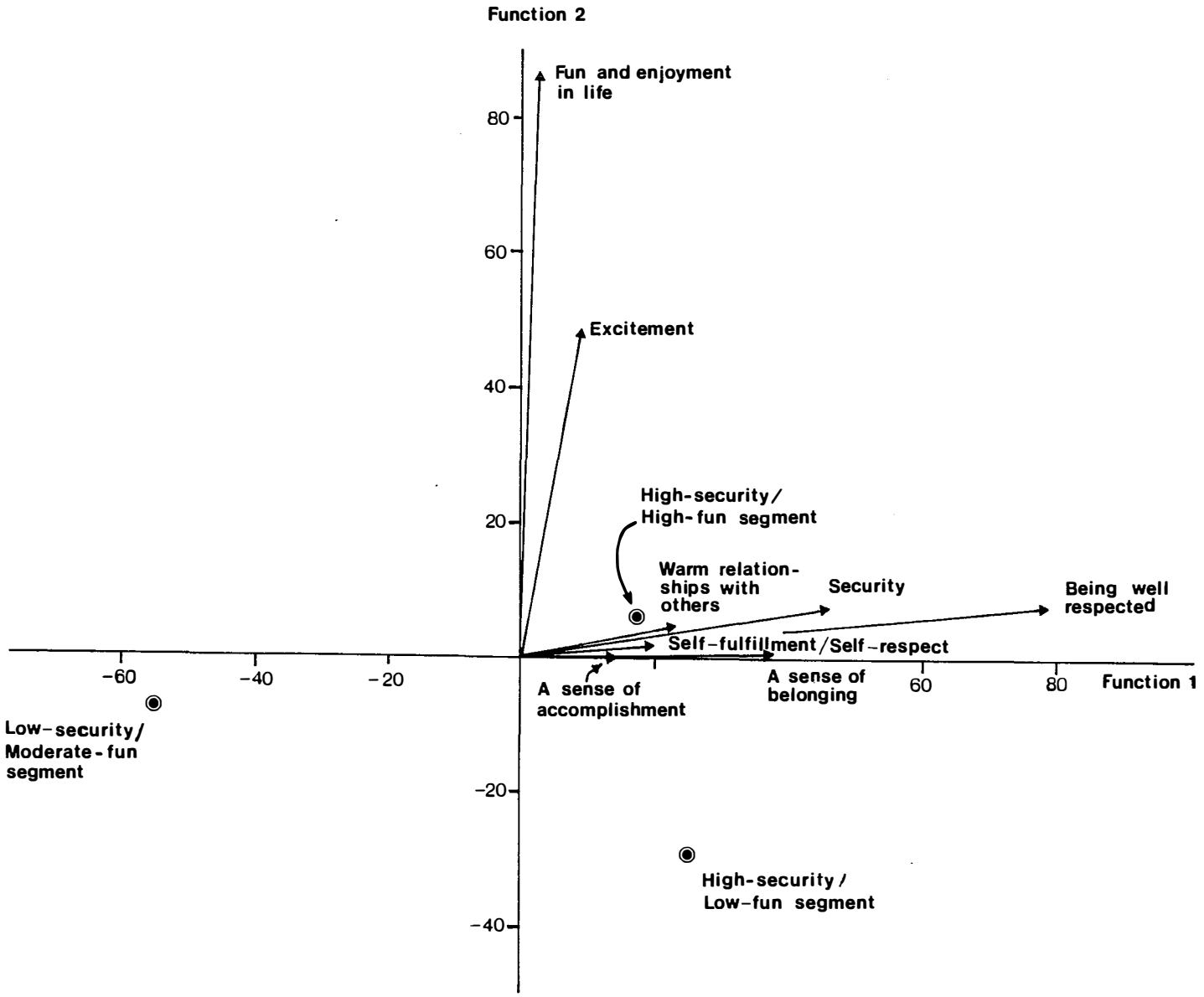
Actual group	Total cases	Predicted group (No. of cases & percent of actual)		
		Cluster 1	Cluster 2	Cluster 3
Cluster 1	104	91 87.5%	7 6.7%	6 5.8%
Cluster 2	33	5 15.2%	27 81.8%	1 3.0%
Cluster 3	13	1 7.7%	3 23.1%	9 69.2%

Proportional chance criterion, $C_{pro.}$, = .54
Overall rate of correct classifications = 85%

classification. Table 2 shows these results for the hold-out sample; 85% of the cases were correctly classified on the basis of their personal-value scores. Following this test, all 316 cases were used to derive the two functions in a 3-group discriminant analysis. Both functions were significant at $p < .0001$, and the univariate F ratios for all nine personal values were significant at $p < .0001$. Figure 1 portrays the discriminant analysis result.

Figure 1

Plot of Personal-Value Vectors and Segment Centroids in Discriminant Space



The vector coordinates for a personal value were obtained by referring to the rotated correlations between that variable and each of the two discriminant functions, respectively. Moreover, to indicate the relative discriminating power of each variable, these vectors were differentially stretched by first multiplying each correlation by that variable's univariate F-ratio (see Dillon & Goldstein 1984, p. 415). Segment centroids were similarly stretched apart by multiplying each of the original centroid coordinates by the respective function's approximate F-ratio, thus stretching the centroids along the axis which accounts for more of the variation (Function 1 = 72%, Function 2 = 28% of the accounted-for variance). Each vector points toward segments giving that personal value a relatively high priority and away from segments giving it a low priority.

Function 1 accounts primarily for the importance attached to being well respected, security, and a sense of belonging (and, to a lesser extent, warm relationships with others, self-fulfillment and self-respect). In short, Function 1 represents a continuum of security- and respect-driven values. Function 2 is clearly distinguished as a sensory or hedonistic dimension encompassing the values expressive of sensory needs: fun and enjoyment in life and excitement. Based on the relative positions of the three segments along the two functions, the segments were labelled 1) HIGH security- & respect-driven/HIGH fun-seeking; 2) LOW security- & respect-driven/MODERATE fun-seeking; and 3) HIGH security- & respect-driven/LOW fun-seeking.

Dependent Measures

A tourist's overall satisfaction with the experience of visiting a foreign city can be measured separately from satisfaction with specific aspects of the visit; and this can be done in several ways. Considering various approaches taken in the consumer satisfaction/dissatisfaction and

related literatures (e.g., Holbrook & Hirschman 1982; Pizam, Neumann & Reichel 1978; Woodruff, Cadotte & Jenkins 1983), global satisfaction was assessed from an emotional perspective and from two expressions of behavioral intention. On a 10-point scale, respondents were asked whether they "disagree completely" (1) or "agree completely" (10) with the statements: "My visit to Toronto leaves me [touched or moved; delighted; contented]." The mean score across the three items later served as a measure of a respondent's positive emotions about the visit. Degree of agreement with the statements: "I would recommend to my friends and relatives that they visit Toronto" and "Given my experiences during this visit, I intend to make another pleasure visit to Toronto" served as the two intention measures of satisfaction.

Hypotheses

Figure 1 showed that one major value dimension (Function 1) identified individuals who placed a relatively high importance on the values <u>being well respected</u>, <u>security</u>, and <u>a sense of belonging</u>--values which are closely related to each other (Kahle & Goff Timmer 1983, p. 67) and reveal an underlying psychological insecurity, anxiety, dependency on others (Kahle & Kennedy 1988) and lack of self-esteem (Piner 1983, p. 263), and for the being-well-respected valuer, especially, a great concern for the opinion of others (Kahle, Poulos & Sukhdial 1988). A tourist segment whose members place a higher importance on these security- and respect-driven values can be expected to also place greater weight on security aspects of the travel experience to form satisfying emotions and memories--factors like safety from crime, cleanliness, ability to walk and stroll, friendliness and helpfulness of the locals, and standards of accommodation. At the same time, avoidance aspects

of the travel experience--crowds and congestion, the feeling of being a stranger, unpleasant weather--are likely to be given more weight, so that they will contribute negatively toward satisfaction.

Conversely, in a segment where tourists rate the respect and security values as less important, the security aspects of a visit should receive a lower weight in general impression formation. In addition, avoidance aspects are likely to be downplayed as contributors to dissatisfaction to the point where they do not figure in the feelings and intentions.

Another value dimension in Figure 1 distinguishes segments by the relative importance attached to values expressive of sensory needs: fun and enjoyment in life and excitement. These two values are usually lumped together by researchers and treated as hedonistic values (Kahle & Goff Timmer 1983, pp. 61-62). People who put the highest priority on these two values are aesthetically sensitive, unconventional and expressive (Piner 1983); they seek autonomy, self-sufficiency and many sources of pleasure and excitement, and tend to discount or deny the impact of potentially negative events in their lives (Eisert & Kahle 1983); in contrast to people giving these values a lower priority, they drink and entertain more, attend the movies more, place greater importance on dining at good restaurants, listen to music more, dance, ski, bicycle, jog, swim and golf more, and attend or participate in more sports events (Beatty et al. 1985; Muller 1989a).

A tourist segment whose members happen to value fun-enjoyment-excitement more highly than others can be expected to also place greater weight on the experiential aspects of the visit--entertainment, nightlife, the arts, shops, restaurants--in forming feelings of satisfaction. At the same time, avoidance aspects of the travel experience--crowds, strangeness, bad weather--are likely to be discounted in the overall evaluation of the visit.

Conversely, in a segment where tourists value fun-enjoyment-excitement less highly than they do the respect and security values, the security aspects of a visit should receive a higher weight in general impression formation than the experiential aspects. In addition, avoidance aspects are likely to be important as potential contributors to dissatisfaction.

The above notions are summarized as hypotheses in Table 3. Given the foregoing profiles of people valuing security and respect vs. those valuing fun-enjoyment-excitement, a segment defined as HIGH security & respect-driven/ HIGH fun-seeking may appear to be a contradiction. In fact, people do often espouse seemingly unrelated values in their efforts to adapt to various roles in life. For instance, in a national probability sample of 2,218 U.S. adults, among all people who chose fun and enjoyment in life or excitement as their

Table 3

Hypothesized Associations Between Global Satisfaction and Three Kinds of City Experiences for Three Tourist Segments

Hypothesis	Segment	Direction/strength of association between overall satisfaction and: Satisfaction with: Security aspects (Factor 1)	Satisfaction with: Experiential aspects (Factor 2)	Dissatisfaction with: Avoidance aspects (Factor 3)
H_1	HIGH security- & respect-driven/ HIGH fun-seeking	Positive/ same strength as experiential	Positive/ same strength as security	Negative
H_2	LOW security- & respect-driven/ MODERATE fun-seeking	Positive/ weaker than experiential	Positive/ stronger than security	None
H_3	HIGH security- & respect-driven/ LOW fun-seeking	Positive/ stronger than experiential	Positive/ weaker than security	Negative

second most important value (of nine) fully 19.3% had chosen security as their most important value--the second most popular combination among this group (Kahle & Goff Timmer 1983, p. 67).

Results

Each hypothesis was tested through a set of multiple regression equations, where the factor scores representing satisfaction on security aspects, experiential aspects and avoidance aspects of the visit served as three predictors of separate global satisfaction measures (willingness to recommend Toronto, intention to revisit, and positive emotions). Thus, H_1, H_2 and H_3 were each tested with three different dependent measures. The nine results are presented in Tables 4, 5 and 6.

Table 4 reports the results for the high-security/high fun-seeking tourists (H_1). Across the three dependent measures, the R^2s vary from .35 to .48, and all three regression results support H_1. Judging from the relatively close magnitudes of the positive betas for security and experiential aspects, tourists in this segment tend to give equal weight to these factors in forming their satisfaction or dissatisfaction with the visit and harboring either high or low levels of positive emotions. Also, the betas for avoidance aspects of the visit are significant and negative, as predicted.

Table 5 gives the findings for the segment which is still moderately fun-loving, but attaches a relatively low importance to values expressive of security and respect needs. These tourists should attach a greater weight to the experiential aspects than to the security aspects of a visit, and not care much about avoidance aspects. The R^2s are even higher than in Table 4, ranging from .41 to .71, but Hypothesis H_2 is supported only in the case of

Table 4

Predictors of Three Overall Satisfaction Measures for
HIGH Security- & Respect-Driven/HIGH Fun-Seeking Segment
(N = 196)

Predictor variable Satisfaction with:	Global satisfaction measure: Would recommend Toronto to my friends/relatives Beta	p <	Intend to make another pleasure visit to Toronto Beta	p <	Mean of three positive emotions re Toronto visit Beta	p <
Security aspects	.42	.0001	.47	.0001	.48	.0001
Experiential aspects	.39	.0001	.42	.0001	.47	.0001
Avoidance aspects	-.23	.0005	-.18	.005	-.26	.0001
R square =	.35		.38		.48	

Table 5

Predictors of Three Overall Satisfaction Measures for
LOW Security- & Respect-Driven/MODERATE Fun-Seeking Segment
(N = 71)

Predictor variable Satisfaction with:	Global satisfaction measure: Would recommend Toronto to my friends/relatives Beta	p <	Intend to make another pleasure visit to Toronto Beta	p <	Mean of three positive emotions re Toronto visit Beta	p <
Security aspects	.68	.0001	.40	.0005	.55	.0001
Experiential aspects	.37	.0001	.42	.0005	.39	.0001
Avoidance aspects	-.12	n.s.	-.10	n.s.	-.15	n.s.
R square =	.71		.41		.54	

intention to revisit as the dependent measure: the betas for experiential aspects and security aspects are positive, with the weight for experiential being marginally higher, while the beta for avoidance aspects is not significant. For the other two dependent measures, the nonsignificant betas for avoidance aspects partially support H_2. However, the relative weights for security and experiential aspects are reversals, with security aspects being given much more weight in the person's willingness to recommend Toronto and substantially more weight in the formation of positive memories.

These reversals are puzzling, especially since the magnitudes of these two betas for security aspects are higher than for the high-security/high-fun segment in Table 4. Perhaps the intention to revisit is determined more by experiential aspects than by security aspects because, once the low-security/ moderate-fun segment perceives that Toronto's infrastructure, safety and cleanliness are--or will continue to be--satisfactory, repeat visits would be determined more by what the city has to offer in the way of things to see and do. Moreover, people whose values make them relatively unconcerned with security and respect are likely to be more easily satisfied with and to feel positively about the security aspects of their visit and therefore to be quite willing to tell others that Toronto rates highly on safety, cleanliness and friendliness--whereas to generate a revisit intention, the city must satisfy them primarily on experiential aspects.

Table 6 shows the findings for H_3, concerning the tourist segment that places a high importance on security and respect values and least embraces the values fun and enjoyment and excitement. The results are not supportive of H_3. The betas for security aspects are in no case statistically significant, leaving most of the variance in the dependent measures to be explained by the experiential aspects of the visit. Only the signs and absolute magnitudes of

Table 6

Predictors of Three Overall Satisfaction Measures for HIGH Security- & Respect-Driven/LOW Fun-Seeking Segment (N = 20)

Predictor variable Satisfaction with:	Global satisfaction measure: Would recommend Toronto to my friends/relatives		Intend to make another pleasure visit to Toronto		Mean of three positive emotions re Toronto visit	
	Beta	p <	Beta	p <	Beta	p <
Security aspects	-.14	n.s.	.35	n.s.	.21	n.s.
Experiential aspects	.72	.0005	.61	.005	.64	.005
Avoidance aspects	-.35	.05	-.32	n.s.	-.36	n.s.
R square =	.60		.47		.46	

the betas for avoidance aspects conform with the hypothesis that such aspects are negatively related to satisfaction (although two of the betas are not significant). As it turns out, the very small sample size (n = 20) going into the analysis of this tourism segment precludes any drawing of conclusions to support or refute H_3.

In sum, the general hypothesis that personal values do determine which aspects of a visit to a foreign city will be important predictors of overall satisfaction and positive memories is partially supported by the study findings. Perhaps the results would have been more clear-cut if the survey had isolated tourist segments showing greater differences in fun-enjoyment-excitement values and security-respect values, or if the sample sizes in the two smaller segments had been larger.

Marketing Implications

The findings of this study tentatively suggest that personal values determine which aspects of a visit to a foreign city most influence the tourist's intention to make repeat visits and to recommend the city to others. Thus, the market of potential U.S. visitors to Canadian cities could be segmented by personal values, and doing so would allow the tourism planner, metropolitan visitors and convention bureau, or travel industry marketer to increase visitor satisfaction and stimulate repeat visits. Aspects of the city visit that most closely relate to a segment's values can be highlighted when developing urban tourism products and communicating them to that segment. To complete the picture, however, it would be useful to have a behavioral and demographic profile of each value segment to help the marketer identify target segments. These data are given in Table 7.

The high-security/high-fun segment appears to be somewhat more experienced with and knowledgeable about Toronto. Among the 63% of visitors in this segment who had previously visited the city, the median number of prior visits was 4, the highest of the three segments. Also, this segment's self-rated knowledge of Toronto is the highest of the three ($p < .05$, multiple comparison tests following an ANOVA).

However, in age distribution and annual household income, the three visitor segments are quite homogeneous; 64%, or more, of the visitors in each cluster are aged between 30 and 50, and all three segments tend to include relatively high-income earners. Thus, segmentation by age and income, alone, would have failed to identify market segments among these tourists.

Turning to other segment differences, the high-security/high-fun segment has the largest percentage (72%) of tourists originating in the neighboring

Table 7

Behavioral and Demographic Profiles of Each Value Segment

	High-security/ High-fun (n = 215)	Low-security/ Mod.-fun (n = 78)	High-security/ Low-fun (n = 23)
Percentage who had never been to Toronto	37	35	39
Median number of repeat visits to Toronto	4	3	2.5
Mean self-rated experience as a visitor of cities[a]	6.9	6.5	6.4
Mean self-rated knowledge about Toronto[b]	6.6	6.3	6.3
Percent of sample who are: male	45	59	26
female	55	41	74
Median age group	36-45	36-45	36-45
Median before-tax household income group ($'000)	40-55	40-55	40-55
Percent: who completed high school, only	23	9	4
w/some or completed junior college, only	32	15	30
with bachelor's degree, only	17	39	26
with post-graduate degree	18	31	30
Percent in: professional occupations	37	55	57
semi-pro/mid-mgmt/skilled clerical & sales	31	24	22
skilled crafts/trades/semi-skilled clerical	14	12	4
Percent of visitors from: Michigan	35	32	26
New York State	24	21	17
Ohio	13	14	17
other U.S. origins	28	33	39

[a]On rating scale, where "1" is "inexperienced" and "10" is "very experienced."
[b]Where "1" is "not at all well informed about Toronto" and "10" is "extremely well informed about Toronto."

states of Michigan, New York and Ohio. Although, by national U.S. standards, this group is well above average in education, it is the least educated of the three segments, has the smallest proportion of respondents in the professions and the largest percentage in white- and blue-collar occupations. In the next

largest, low-security/moderate-fun segment, males predominate somewhat, tourists appear to be the best educated of the three groups, and a majority of them are in the professions. Most people (67%) in this group also originate in Ontario's neighbor states. In trying to reach the very small, high-security/low-fun segment, developers of the U.S. tourism market should note that females predominate in this group, tourists tend to have the least experience with Toronto, and almost 40% of them originate in states beyond Michigan, New York and Ohio.

This paper concludes with some strategic implications of the value and behavioral profiles that define the two largest tourism segments identified in this study. These ideas constitute marketing tips for the tourism product developer working with the U.S. market, as suggested by an understanding of value theory and the satisfaction findings uncovered by the analyses.

The High-Security/High-Fun Segment

In this segment, tourists typically value being well respected, security, a sense of belonging and warm relationships with others. They will tend to attach a lot of importance to city attributes related to safety and security. Toronto's international reputation as a well-governed, well-run city with low crime rates and clean streets is a strong attraction to this segment, in particular. Also, it is important for them to feel welcome at a destination city; they like the feeling of familiarity, perhaps even to the point where they could see themselves belonging in the city they visit. Given their value and behavioral profiles, this segment offers the best potential for repeat-visits, and marketing efforts to stimulate this demand should build upon the city's familiarity and friendliness in these peoples' minds.

Given their somewhat greater preoccupation with the value self-respect, it is important to members of this segment, especially, to avoid being

embarrassed by cultural gaffes and looking foolish as foreign out-of-towners. They would appreciate information on what to expect, wear, do and say when visiting Canada. It may well be the segment on which information pamphlets (on customs regulations, currency, foreign weights and measures, what to do in emergencies, language differences) would be least wasted, and the one that is least tolerant of nasty surprises. Also, plenty of clear street signs and visitor guidance to points of interest in a city, would leave a greater impression on this segment than on others.

Tourists in this segment also value fun and enjoyment in life and excitement, so aspects of the city that provide these must also be built into the urban tourism product and communicated to them; however, they must feel reassured that it is "safe" fun and excitement.

The Low-Security/Moderate-Fun Segment

Relative to the first segment, these tourists are less preoccupied with the security- and respect-driven values--not that these values are totally unimportant to them. However, a visit to a Canadian city would not be dominated by the safety-familiarity-friendliness considerations that are paramount to the first group. Visitors in this segment will be less concerned about establishing a rapport with the locals and getting emotionally involved with them. This is confirmed by the earlier finding that avoidance aspects like crowds, congestion, and feelings of being a stranger, do not figure in their overall satisfaction. In fact, the strangeness of the city--and the anonymity it can offer--probably add to the excitement of their experience.

Relative to other values, they place a greater importance on fun and enjoyment in life and excitement. These people travel to a Canadian city to have fun, to let their hair down, to escape from the familiar. Efforts to develop tourism products for this segment should acknowledge these value

orientations, then show how the visit can spontaneously provide fun, enjoyment and sensory stimulation with a relatively low commitment or investment in effort, planning and familiarization on the visitor's part. Members of this segment will likely seek out the bars, nightclubs, casinos and dance clubs, in addition to the good restaurants in popular--and populous--city locations. In a nutshell, this segment wants fun, excitement, and sensory stimulation, but at arms length from the locals.

References

Atlas, James (1984), "Beyond Demographics," Atlantic Monthly (October), 49-59.

Beatty, Sharon E., Lynn R. Kahle, Pamela Homer, and Shekhar Misra (1985), "Alternative Measurement Approaches to Consumer Values: The List of Values and the Rokeach Value Survey," Psychology & Marketing, 2 (Fall), 181-200.

Boote, Alfred S. (1981), "Market Segmentation by Personal Values and Salient Product Attributes," Journal of Advertising Research, 21 (Feb.), 29-35.

Boyer, Richard and David Savageau (1985), Places Rated Almanac, Chicago: Rand McNally.

Dhalla, Nariman K. and Winston H. Mahatoo (1976), "Expanding the Scope of Segmentation Research," Journal of Marketing, 40 (April), 34-41.

Dillon, William R. and Matthew Goldstein (1984), Multivariate Analysis: Methods and Applications. New York: John Wiley & Sons.

Eisert, Debra C. and Lynn R. Kahle (1983), "Well-Being," in Social Values and Social Change, Lynn R. Kahle, ed. New York: Praeger, 207-225.

Feather, Norman T. (1975), Values in Education and Society. New York: Free Press.

Gärling, Tommy, Erik Lindberg, and Henry Montgomery (1987), "Beliefs About Attainment of Life Satisfaction as Determinants of Preferences for Everyday Activities," in Understanding Economic Behaviour, Vol. 3, Proceedings of the 12th Annual Colloquium of the International Association for Research in Economic Psychology. Aarhus, Denmark: Handelshojskolen, 821-830.

Gearing, C.E., W.W. Swart, and Turgut Var (1974), "Establishing a Measure of Touristic Attractiveness," Journal of Travel Research, 12 (4), 1-8.

Grunert, Susanne C. and Gerhard Scherhorn (1990), "Consumer Values in West Germany: Underlying Dimensions and Cross-cultural Comparison with North America," Journal of Business Research, 20 (March), 97-108.

Holbrook, Morris B. and Elizabeth C. Hirschman (1982), "The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun," Journal of Consumer Research, 9 (September), 132-140.

Holman, Rebecca H. (1984), "A Values and Lifestyles Perspective on Human Behavior," in Personal Values and Consumer Psychology, Robert E. Pitts, Jr. and Arch G. Woodside, eds. Lexington, MA: Lexington Books, 35-54.

Kahle, Lynn R. (1986), "The Nine Nations of North America and the Value Basis of Geographic Segmentation," Journal of Marketing, 50 (April), 37-47.

_____ and Susan Goff Timmer (1983), "A Theory and a Method for Studying Values," in Social Values and Social Change, Lynn R. Kahle, ed. New York: Praeger, 43-69.

_____ and Patricia Kennedy (1988), "Using the List of Values (LOV) to Understand Consumers," Journal of Services Marketing, 2 (Fall), 49-56.

_____, Basil Poulos, and Ajay Sukhdial (1988), "Changes in Social Values in the United States During the Past Decade," Journal of Advertising Research, 28 (February/March), 35-41.

Maslow, Abraham H. (1954), Motivation and Personality. New York: Harper.

Muller, Thomas E. (1989a), "Canada's Ageing Population and Projected Changes in Value Orientations and the Demand for Urban Services," Service Industries Journal, 9 (October), 14-28.

_____ (1989b), "The Two Nations of Canada vs. The Nine Nations of North America: A Cross-Cultural Analysis of Consumers' Personal Values," Journal of International Consumer Marketing, 1 (4), 57-79.

Perkins, W. Steven and Thomas J. Reynolds (1988), "The Explanatory Power of Values in Preference Judgements: Validation of the Means-End Perspective," in Advances in Consumer Research, Vol. 15, Michael J. Houston, ed. Provo, UT: Association for Consumer Research, 122-126.

Piner, Kelly E. (1983), "Individual Differences Associated with Value Selection," in Social Values and Social Change, Lynn R. Kahle, ed. New York: Praeger, 261-273.

Pitts, Robert E., Jr. and Arch G. Woodside (1986), "Personal Values and Travel Decisions," Journal of Travel Research, 25 (Summer), 20-25.

Pizam, Abraham, Y. Neumann, and A. Reichel (1978), "Dimensions of Tourist Satisfaction with a Destination Area," Annals of Tourism Research, 5, 314-322.

Reynolds, Thomas J. and Jonathan Gutman (1984), "Laddering: Extending the Repertory Grid Methodology to Construct Attribute-Consequence-Value Hierarchies," in Personal Values and Consumer Psychology, Robert E. Pitts, Jr. and Arch G. Woodside, eds. Lexington, MA: Lexington Books, 155-167.

_____ and _____ (1988), "Laddering Theory, Method, Analysis, and Interpretation," Journal of Advertising Research, 28 (February/March), 11-31.

Rokeach, Milton (1973), The Nature of Human Values. New York: Free Press.

Tourism Canada (1986), U.S. Pleasure Travel Market--Canadian Potential: Highlights Report. Ottawa: Department of Regional Industrial Expansion.

Var, Turgut, R.A.D. Beck, and P. Loftus (1977), "Determination of Touristic Attractiveness of the Touristic Areas in British Columbia," Journal of Travel Research, 15 (3), 23-29.

Veroff, Joseph, Elizabeth Douvan, and Richard A. Kulka (1981), The Inner American: A Self-Portrait from 1957 to 1976. New York: Basic Books.

Vinson, Donald E. and J. Michael Munson (1976), "Personal Values: An Approach to Market Segmentation," in Marketing: 1776-1976 and Beyond, Kenneth L. Bernhardt, ed. Chicago: American Marketing Association, 313-317.

Woodruff, Robert B., Ernest R. Cadotte, and Roger L. Jenkins (1983), "Modeling Consumer Satisfaction Processes Using Experience-Based Norms," Journal of Marketing Research, 20 (August), 296-304.

Faculty of Business
McMaster University

WORKING PAPERS - RECENT RELEASES

330. Min Basadur, Mitsuru Wakabayashi and Jiro Takai, "Training Effects on Japanese Managers' Attitudes Toward Divergent Thinking", July, 1989.

331. Robert F. Love, "Properties of Ordinary and Weighted Sums of Order p", July, 1989.

332. Robert F. Love, "Floor Layouts Using a Multi-Facility Location Model", July, 1989.

333. Thomas E. Muller, "Staying Ahead of the Consumer: Signals About the Future from North America's Aging Population", September, 1989.

334. Robert G. Cooper, "New Products: What Distinguishes the Winners", November, 1989.

335. Robert G. Cooper and Elko J. Kleinschmidt, "Firms' Experiences Using a Formal New Product Process", January, 1990.

336. Joseph B. Rose and Gary N. Chaison, "Fortune and Misfortune: Union Growth in Canada and the United States", January, 1990.

337. Peter J. Sloane and Harish C. Jain, "Use of Equal Opportunities Legislation and Earnings Differentials: A Comparative Study", May, 1990.

338. John Medcof, "The Probabilistic Contrast Model and PEAT", June, 1990.

339. Peter Banting, "Supplying the Samurai", June, 1990.

340. Joseph B. Rose and Gary N. Chaison, "New Directions and Divergent Paths: The North American Labor Movements in Troubled Times", June, 1990.

341. Peter M. Banting and David L. Blenkhorn, "Developing and Managing Japanese and U.S. OEM -- Canadian Autoparts Supplier Relationships in the 1990s", June, 1990.

342. R.G. Cooper and E.J. Kleinschmidt, "New Products: The Key Factors in Success", June, 1990.

343. Norman P. Archer & Shouhong Wang, "The Application of Monotonicity Constraints to the Back Propagation Neural Network Training Algorithm", June, 1990.

344. Roy J. Adams, "Teaching Comparative Industrial Relations: Results of an Informal Multinational Survey", June, 1990.

345. N. Archer and T. Dececchi, "Selecting a Systems Development Approach for Supplying Computer Based Support for Decision Makers: A Model and Its Validation by the Delphi Technique", June 1990.

346. Thomas E. Muller, "Baby Boomers' Changing Values: Strategic Implications for the Small Business", July, 1990.

347. Min S. Basadur, "The Japanese Model: Fostering Problem Finding and Creativity for Motivation, Job Satisfaction and Teamwork, August, 1990.

348. Christopher K. Bart, "Divisional Control and Product Innovation", August, 1990.

349. Paul A. Dion, David Blenkhorn, Peter M. Banting, "Buyer Experiences with JIT: Some New Roles for Buyers", August, 1990.

350. Paul A. Dion, David Blenkhorn, Peter M. Banting, "Supplying JIT: What Are Marketers' Experiences?", August, 1990.

351. John P. Liefeld, Thomas E. Muller, "How Affective vs. Informative Newspaper Advertisements Bias Thoughts and Memories", August, 1990.

352. Christopher K. Bart, "Controlling New Products: Some Lessons for Success", August, 1990.

353. R.G. Cooper and R. de Brentani, "New Industrial Financial Services: What Distinguishes the Winners", September, 1990.