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The Influence of Tour Destination Image on Chinese consumers preference for Australian Wine?

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Abstract

Purpose
Tourism is one of the world's largest industries mobilising millions of travellers every year to visit countries far and wide. What if exporters could effectively target this travelling consumer cohort? In this paper we consider the influence that experiencing a country as a tour destination has on perceptions of products produced in that country and the intention to purchase those products in the future.

Design/methodology/approach
We draw on Associative Network Theory (ANT) to offer a rationale as to how and why a country's Tour Destination Image (TDI) may play an important role in promoting its export products. This provides an alternative model and theoretical basis to those studies that have traditionally underpinned Country of Origin Image (COI) and Tour Destination Image (TDI) studies with more linear cognitive processing theories. We test this by tapping the tour destination images, preference for and intention to purchase Australian wine of Chinese tourists in Australia and compare them to Chinese consumers in China

Findings
The results of this study provide evidentiary support to our proposed use of ANT, and the influence that TDI may have on purchase behaviours.

Practical implications
This has implications for wine exporters looking to target travelling consumers when on holidays.

Key words: Australian wine, tourism, country of origin effects, wine exports

1. INTRODUCTION

In this paper we consider the influence that experiencing a country as a tour destination has on perceptions of products produced in that country and the intention to purchase those products in the future. The existing literature links country of origin effects to product perceptions and purchase intentions (Elliot, Papadopoulos, & Kim, 2010; Laroche, Papadopoulos, Heslop, & Mourali, 2005) while the tourism literature focuses on tour destination image as a link to future travel and tourism spending (Mossberg & Kleppe, 2005; Pike, 2009) We achieve this aim by tapping the tour destination images, preference for and intention to purchase Australian wine of Chinese tourists in Australia and compare them to Chinese consumers in China.

Tour destination research seeks to measure how a country's images are reflected by cognitive beliefs and as such we contend that that there will be a measured difference between those beliefs in consumers who have visited a country on holiday and those who have not. Furthermore, we suggest that this difference will influence consumers' product perceptions and intentions to buy products from the tour destination once they return home.

Applied commercially, such research may provide assistance to Australian wine exporters in targeting incoming tourists as potential customers.

2. LITERATURE REVIEW

2.1   *The Role of Image in Consumer Behaviour*

Drawing on marketing, psychology and memory literature, an image can be defined as a holistic, sensory method of encoding, processing, and evoking information (Anderson & Bower, 1979; Bone & Ellen, 1992; MacInnis & Price, 1987; Thompson & Hamilton, 2006). Brand, country and other place images are mental pictures of brands, countries and localities, respectively. According to Jaffe and Nebenzahl (2006) "what motivates consumer behaviour is not the true attributes of products" but those perceived by the consumer, with this perception being driven by their mental images.

Through the processing of images humans are able to simplify decisions by "creating symbolic representations to represent a network of salient meanings" (Stern, Zinkhan, & Jaju, 2001, p201). Applied to consumer behaviour this suggests consumers will associate objects such as products, brands, countries and tour destinations with images that possess meanings symbolic to the object (Dolich, 1969). Thus, attribute salience and the strength of the image object is relative to the consumer's personal view of the world or experience with the country, category or product. How the image information has been processed and encoded influences the consumer's behaviour.

2.2   *Country as image*

Within the realm of international marketing there are two prevailing constructs that deal with country as image and the influence this has on consumer behaviour. TDI, which originates from the tourism literature (A. Beerli & J. D. Martin, 2004; Fan, 2006; Mossberg & Kleppe, 2005; Qu, Kim, & Im, 2010) deals with consumers' expectation of tour products, while country of origin image (COI) represents the bias in customer perceptions of products and services because of the country from which they originate (Bilkey & Nes, 1982; Bloemer, Brijs, & Kasper, 2009; Roth & Romeo, 1992; Verlegh & Steenkamp, 1999). While there has been considerable research in each of these areas, they have developed as academic streams

independently of each other. However, given their closely related nature it is our proposition that these two images are analogous, because they are both mental representations of a country. We suggest consumers would have a memory network that bridges both the tourism and country of origin images and thus the two constructs are representations of different parts of the same associative mental network.

At this time only a handful of studies study have explored empirically how tourists' perceptions of a country as a travel destination may influence their beliefs about the destination's products (Elliot, et al., 2010; Lee & Lockshin, 2009; Papadopoulos & Heslop, 1986).

2.3   *Associative Network Theory and Spreading Activation*

Presently the most accepted models of memory storage and retrieval are drawn from the Associative Network Theories of Memory (ANT) (Anderson & Bower, 1979; Romaniuk & Gaillard, 2007). These models conceptualise that human memory consists of a network of links and nodes, where pieces of information or nodes (e.g. a country name, product experience) are linked to other nodes (e.g. Australia and tourism or Australia and wine).

It is suggested that if there is a 'link' between two nodes then this represents a meaningful association in memory. Keller (2003) acknowledges that using ANT allows marketers to understand how brands and brand knowledge are created in memory, and these principles are now beginning to be applied in the area of tourism and place branding (Pike, 2010). Associative Theories of Memory applied in a branding context (Krishnan, 1996; Meyers-Levy, 1989) have been used to explain how a brand is represented in memory, describing the brand as a group of brand elements or concepts (nodes), that are meaningfully associated to a target word or anchor, which is the brand name. In this case the brand and brand name are substituted by the country in question.

2.4   *Image Retrieval*

The Spreading Activation Theories of Retrieval (Collins & Loftus, 1975) explains that when retrieving items from memory the source node is activated with a cue. Activating a node results in a flow of activation that spreads through the links from that node to all of the nodes that are connected to it. There are two factors, which determine whether the image object (Australia) node is retrieved: whether associations with the object exist in memory and the relative strength of the associations of the item in memory to the source or activation node (the stimuli), relative to other similar associations.

The accessibility of information in memory, that is, the ease with which it can be retrieved, is of critical importance to how one is able to relate past experiences to present circumstances (Bargh, Chaiken, Raymond, & Hymes, 1996). This means those images that are the strongest, and hence most easily accessible, will deliver the strongest and most consistent influences on behaviour. A person's strongest or most chronically accessible memories are capable of being activated automatically upon the mere presence of an appropriate situational cue (R. Fazio, Sanbonmatsu, Powell, & Kardes, 1986; R. H. Fazio, 2001).

We would expect tourists to Australia would quickly develop more nodes related to Australia than non-tourists. Tourists' experiences of many things, not just tourist attractions, would build a salient network of memory nodes linked to Australia. Non-tourists, especially those in a country where few Australian products are available, would mainly have a tourist

destination image (TDI) for Australia based on advertising, promotion, and perhaps some media exposure (TV and movies).

Thus, we would expect non-tourists to have a stronger link between TDI and purchase intention (PI) for Australian products than tourists. Tourists would of course have a strong TDI for Australia, but they would also be developing other images of Australia and Australian products not available in China. The tourists should have a weaker link between TDI and PI, but in developing their mental network, they should have a stronger link between their country of origin image (COI) for Australia and their purchase intention for an Australian product. These relationships are opposite to what the separate TDI and COI literature would predict: tourists would have a strong TDI and this would relate positively to higher purchase intentions, and COI would not typically be measured or included.

3. METHODOLOGY

This research context involved domestic Chinese consumers' perceptions of Australia as a tour destination and Australian wine as a product and two cohorts, one that visited Australia and one that did not. Chinese tourists are one of the largest tourist groups into Australia While China holds vast potential for Australian wine, the country accounted for only 4% by volume and 6% by value of Australia's total wine exports in 2009-2010 (AWBC, 2010). This combination of increasing Chinese tourists into Australia and a relatively low market share and awareness of Australian wine in China means that COI effects may be developing mainly from a tourist perspective in a product category with few initial impressions, thereby providing a suitable platform to seek the answers to the research questions.

The first part of data collection took place in Sydney (New South Wales, Australia) and involved inbound Chinese tourists, their TDI and Australian wine preferences. All surveys were in Chinese, having been translated and back translated first. Surveys on board tour buses tapped Chinese tourists shortly after arrival in Australia. At the time of the surveys, the tourists had not visited vineyards or wineries as part of their tour itinerary. Tour leaders announced that the surveys were for academic purposes, and the tourists self-administered the questionnaires. After data cleaning for outliers and missing data, the final sample contained 235 observations. The survey tapped how those tourists perceived Australia as a travel destination and Australian wine as a product as well as their overall country image (COI).

The second part of data collection took place over 2 weeks in the Chinese city of Changsha. Surveys were administered at 3 locations in the city. The locations were main shopping precincts where large crowds congregate. The shopping precincts all have supermarkets that sell wine. Respondents were chosen randomly by asking every tenth person to participate. Respondents who indicated they had visited Australia on holiday were removed from this data set, as the purpose of the study was to compare independent samples of Chinese consumers, one sample with experience of Australia as a tour destination, the other without.

This study used existing scales for TDI (A. Beerli & J. Martin, 2004; Echtner & Ritchie, 2003), and COI (Han, 1989; Jaffe & Nebenzahl, 1984), and PI (Sirgy & Danes, 1981; Zaichkowsky, 1985) to develop a self-reported Likert scale survey.

4. RESULTS

In analysing the data, structural equation modelling (SEM) was utilized using SPSS/AMOS version18 software (Arbuckle & Wothke, 1997). To examine structural relationships in the model with relative stability and insensitivity to sample size (Gerbing & Anderson, 1993), four fit indices were used together with a chi-squared test to assess overall model fit: Standardized chi-square, Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), and Bolen's Incremental Fit Index (IFI). Model fits where CFI, IFI TLI values are close to 1 indicates very good fit (Bollen, 1989). According to Hair et al. (1998), the chi-square statistic is always significant when sample size > 200, thus standardized chi-square (X2 /df) with values < 5 (Taylor & Todd, 1995) are optimal. Table 1 reports these values for both sample groups. From these indices it is evident that there is good model fit for both sample groups.

Visitors (n=235)	Non-visitors (n=253)
Standardized chi-square = 2.654	Standardized chi-square = 2.406
CFI = .954	CFI = .948
TLI = .939	TLI = .931
IFI = .955	IFI = .949

Chinese consumers on holiday in Australia stated that they are more likely to purchase Australian wine than those who have not visited (purchase intention); That is their median response's indicated on a 7 point likert scale were 3.92 for tourists in comparison to 3.14 for non-tourists. However, when looking at the structural equations model (see figure 1) the coefficient weights for the paths from COI and TDI to Product Image differed dramatically and significantly between the groups, which is key to our theoretical viewpoint. The coefficient from COI to Product Image for non-visitors was negative (-0.17) and insignificant (p=0.17), while the coefficient from TDI to Product Image was very strong (0.81) and significant (p= 0.001). In comparison, country visitors the coefficient of TDI to PI was negative (-.015) and insignificant (p=0.93), while their COI to Product Image coefficient was positive (0.32), and very close to statistical significance (p=0.056).

5. DISCUSSION

The results indicate that our view that ANT is a reasonable theory to explain the effect that TDI has on consumer preference and purchase intention for non-tour products. From the two samples, visitors and non-visitors, marked and significant differences are clearly evident. The product image of non-visitors for Australian wine was primarily derived from their image of Australia as a tour destination.
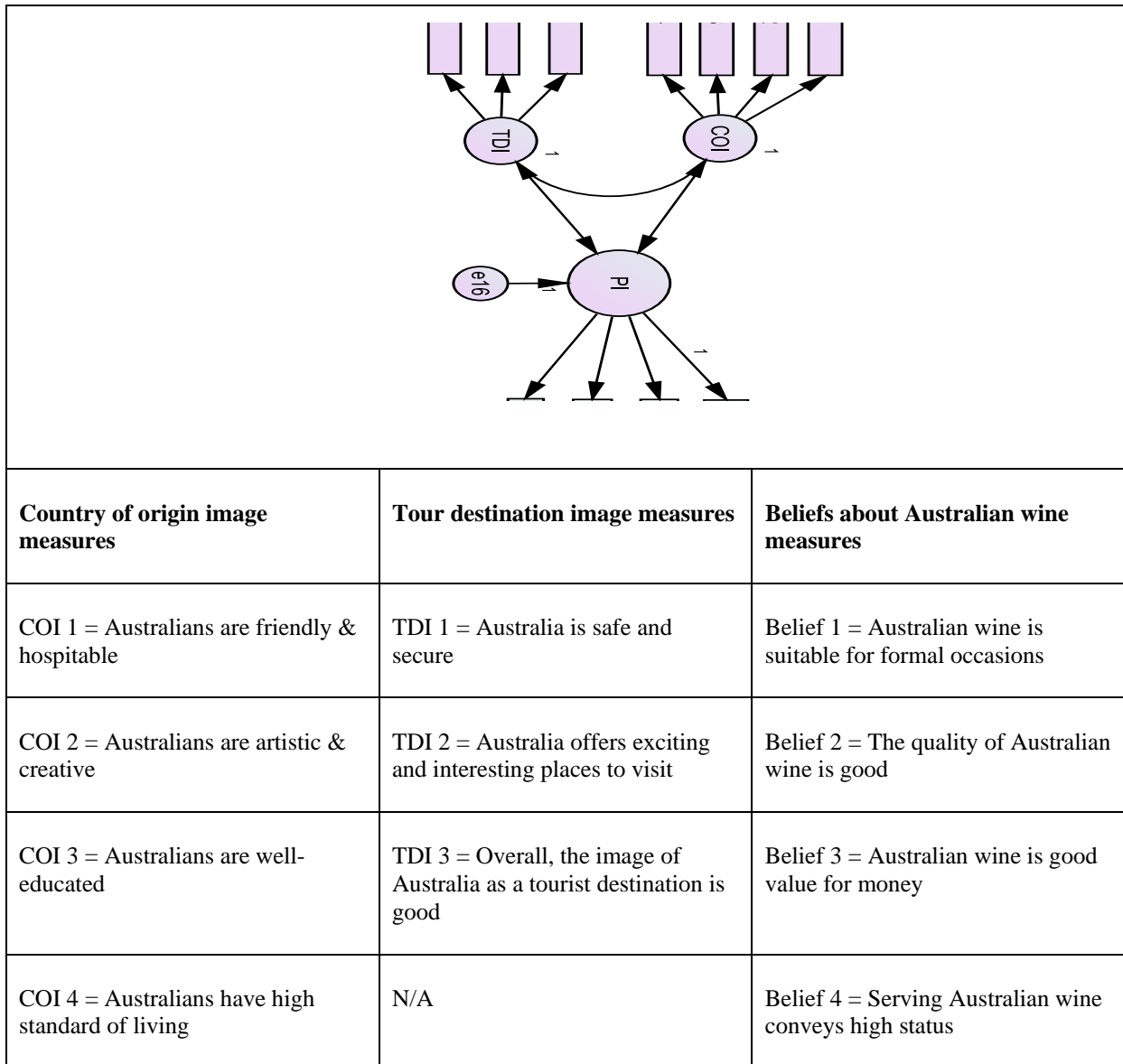
This makes logical sense as they have no direct experience of the country. It is likely that their main contact with Australia is through tourism marketing communications and through state controlled media. For those who have been on tour in Australia, product image for Australian wine is clearly driven by their direct experience of the country, and TDI is no longer a significant predictor of purchase intention. While in a traditional analysis such a result might seem counter intuitive, i.e that TDI would become insignificant when on tour, by looking at the results from an Associative Network Theory perspective, this result *is* consistent with the idea of a network of nodes linked together which expands with more experiences. But most importantly that this network is not bounded by a pigeonholed construct limited only to tourism or tour related activities, but to the entirety of the experience while a tourist consumer is in the/a country. For non-visitors – consumers in China – their node network is going to be small or limited by virtue of the fact that they have only limited exposure to Australia, hence the strong influence of TDI.

However, for those who have visited, from the moment they encounter their first Australian experience, from getting off the plane, to using the toilet at the airport or being greeted by an Australian tour guide, their network of nodes linked to Australia as a country will rapidly expand, and the tourism aspects of their experience will be subsumed by their overall impression of the country. To capture this, and to clearly differentiate from the non-visitor samples, our study's on-tour respondents were not tapped until they were sufficiently engaged in their holiday, making sure that the different samples (visitors vs non-visitors) were clearly defined by their level of experience i.e. no experience of being in Australia and experience of being in Australia. Our findings findings are consistent with Gnoth's (2002) theoretical proposition that the quality and consistency of the entire experience whilst on tour is the key to successfully leveraging export sales of non-tour products, which is in this case Australian wine.

6. LIMITATIONS AND FUTIRE RESEARCH

Clearly this is a small study and within only one category, and as such future research will be required to establish if this is a generalizable finding. This research is a pilot program for a much larger longitudinal study, which will include multiple categories and a more diverse sample. It also has to be acknowledged that these are cross-sectional samples of different respondents. In a longitudinal study this limitation will be overcome by tapping the same sample multiple times i.e before they go on tour, once they are on tour and once they return home.

Figure 1 – Structural Equation Model (SEM) used in this study.

Country of origin image measures	**Tour destination image measures**	**Beliefs about Australian wine measures**
COI 1 = Australians are friendly & hospitable	TDI 1 = Australia is safe and secure	Belief 1 = Australian wine is suitable for formal occasions
COI 2 = Australians are artistic & creative	TDI 2 = Australia offers exciting and interesting places to visit	Belief 2 = The quality of Australian wine is good
COI 3 = Australians are well-educated	TDI 3 = Overall, the image of Australia as a tourist destination is good	Belief 3 = Australian wine is good value for money
COI 4 = Australians have high standard of living	N/A	Belief 4 = Serving Australian wine conveys high status

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