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Destination Brand Components

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Abstract
Destination Branding is a complex subject; not just because of its overlap between service, corporate and product branding but also because of the multiplicity of stakeholders, diverse customer base and product offerings. This exploratory study aims to study destination brand components and simplify the concepts and relative importance of each of the components. Through a detailed literature review a conceptual model is presented with taxonomy of brand components. This is followed by a quantitative study that tries to find the relationship between destination brand components to the tourist motives and the stage of decision making. Further research avenues are discussed.

Key words: destination branding, brand components, motives, symbolic and functional brands.

ABOUT THE AUTHORS
Melodena Stephens Balakrishnan has over six years of corporate experience and has research interests in destination branding, service marketing and customer relationship management. She is currently working with several key organizations in Dubai on projects relating to the above topics and has won research grants for the same. Her case study on Dubai was recognized by emeraldinsight as a leading paper for the month of May 2008.

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1.0 Introduction
Governments are investing over 12% of world investments into tourism and getting revenues of an average 10% of the world GDP (WTTC, 2007; Arnold, 2007). There is tremendous scope to grow as destination marketing is an evolving concept. However though the industry is growing, its share is declining with respect to the export of commercial services from 32% in 2000 to 27% in 2006 (WTO, 2007). It has been found that a symbiotic relationship between destination marketing organizations (DMOs), local governments and private sector can have a positive effect on destination growth (Bennett, 1999; Prideaux and Cooper, 2003). Now with close to 200 countries, a million tourist places, the challenges of branding are more complex (see Moorthi, 2002, for some challenges associated with service branding).

Another interesting offshoot of destination branding is the impact country of origin (COO) has on product specific image. Though consumers tend to categorize brands by COO, they are often inaccurate (Balabanis and Diamantopoulos, 2008). Lee and Ganesh (1999) find that low product familiarity customers rely more on COO information than high familiarity customers. This can have an impact on trade and business investments of MNCs.

Destination branding is largely confined to the use of logos and slogans (Pike, 2005). Destination branding is complex as it has elements of product, service and corporate branding involved; acts as an umbrella brand that extends to a multiplicity of products which may or may not be related and have a diversity of customers (Balakrishnan, 2008; Fan, 2006). It falls under tourism destination image (TDI) (see Gallarza et al., 2002 for a background) Brand image depends on the person interpreting the image (Meenaghan, 2005). When differentiation is low, it is the brand image of a destination that creates a perception difference 35-65% of the time (Hosany et al., 2007; Palumbo and Herbig, 2000). Lee and Ganesh (1999) find that when consumers are not familiar with a country, they rely more on country of origin information, which affects destination image. The same study found that countries with a favorable image had a more positive country product evaluation from consumers.

1.1 Importance of brand image
There is also a strong correlation between favorable image and intent to visit (Leisen, 2001). Consumers decision of a destination begins with information collected prior to consumption and purchase and their ability to make sense of the vast quantities of information (Kotler and Gertner, 2004). A study by Ataman and Ülengin (2003, p. 246) find that consumers “tend to choose brands whose perceived images are similar to consumers’ actual, ideal, social, ideal-social and situational-ideal-social images” which means it can affect brand preferences and hence sales. Hence there is a strong support for brands to have a multiplicity of image attributes. The same study could explain 89.6% of variation in sales (this is in Turkey in the beverage industry) due to image while only 10.4% was due to distribution, advertising, brand loyalty among other factors.

Destinations being much more complex could have different results. Destination marketing has four potential marketing outlets for information (Moutinho, 1987): primary (WOM); secondary (mass media), tertiary (travel agents, tour operators, exhibitions) and fourthly (personal experiences). Hence the destination image is a sum of complex messages given by a variety of stakeholders, through a variety of communication
mediums. In fact a study showed that incongruent advertisements for familiar brands had easier brand recall, but harder advertisement recall and incongruent advertisements for non familiar brands had harder brand recall (Lange and Dahlén, 2003).

Further research has shown that consumers use projective techniques to identify or associate brand image characteristics (Hussey and Duncombe, 1999) but destinations are often historically associated with images (eg. Taj Mahal – romance, India). Country of Origin for products affects brand equity – positive COO affect brand loyalty, brand distinctiveness, and brand awareness and associations (Yasin et al., 2007). Ross-Wooldridge (2004) has actually used tourism as an example of halo marketing that helps confirm or modify one’s self-image, match social norms of target customer’s reference group. Where customers are not familiar with a country, they tend to be reluctant to trust product image for consumer goods (Lee and Ganesh, 1999), but that also must dissuade travelers from buying a destination product as investments, and hence risks are higher. The fit between corporate (in this case overall destination image) and the service extension (destination sub-products like hospitality, infrastructure etc.) must be strong or it affects perception on sub-product quality and then overall image of the corporate brand (Pina et al., 2006). Brand associations are multi-dimensional, differ across various products and based on how well known is the brand image (Low and Lamb, 2000; Kirmani et al., 1999). Hence for destinations to maintain image, they must monitor sub-products quality to ensure their destination image is not modified.

All these affect customer loyalty. It is found that customer loyalty is influenced by public relations practice conditional to a positive brand image (Hsieh and Li, 2008). Further, O’Cass and Grace (2004) found through a qualitative and quantitative study that the service brand associations are related positively toward the attitudes towards a branded service which in turn are related positively to the intension to use. A study on brand components will actually lead to greater insight to customer propensity to visit a destination/purchase a destination experience and this should aloe for a more long-term strategic approach for success. Hence image of destinations is a key aspect of the branding strategy. Destination brand image is a complex topic and there is a need to simplify the concept of image into key components, classify elements of the destination brand components (DBC) and relate DBC to what customer value (see Hankinson, 2005; Leisen, 2001). Low and Lamb (2000) found that brand associations are different for different products and further are influenced by brand familiarity. This suggests that DBCs may change as consumers move up from various stages of decision making process.

1.1 Research Objective
Image and perception are closely related (White, 2005). Brand image affects perception of a destination. According to Meenaghan (1995) the identity of a destination is controllable however image is what the target customer receives or perceives is sent. The purpose of this research to find out what brand components best describe destination brands and their impact on brand image. This can be simplified into three simple sub-objectives. First there is a need to simplify DBC. Secondly existing literature in brand components needs to be classified into the simplified form. Finally based on the literature review, the study will find out the effect each category of brand components have on overall brand image. This study is an exploratory study focusing on DBCs and through the development of a conceptual framework will present a practical platforms for DMOs to build brand strategies. It is multidisciplinary (Gallarza et al., 2002)
The paper first through a detailed literature review looks at current classification of brand components which are popularly functional, symbolic and experiential. Based on definitions and areas of influence, the paper tries to segregate the components and simplify the classifications. Secondly based on the simplified classification and the relationship to Pierce Travel Experience Ladder a conceptual framework is presented. Lastly a taxonomy of DBCs is correlated to the Pierce Travel Ladder based on literature review. The paper also presents two hypothesis and future research areas in the discussion.

2.0 Literature Review: Functional, Symbolic and Experiential Brand components

Literature review on DBCs (see de Echner and Ritchie 1993; Chernatony and McWilliam, 1989; Bhat and Reddy, 1998; Mowle and Merrilees, 2005; see Hankinson, 2005; Wood 2007) identifies the following key brand attributes: functional and symbolic or intangible and tangible attributes. Personality and emotions were included in brand constructs by authors like Aaker (1997) and de Chernatony (1997). In their study Maklan and Knox (1997) found that brands could be measured using variables like interpersonal relationship, word of mouth, country of origin, names and usage intensions. The de Chernatony and Riley Double Vortex model (1997) suggests than in addition to functional and symbolic capabilities, legal identities, heritage and values, and psychosocial match affects brand image.

Cooper (1989) found customers were driven by two attitudes when purchasing brands. The first category was practical in nature and involved brand perceptions of benefits, physical justifications, and beliefs about value for money and the availability. It is the core function/service of the brand (Maklan and Knox (1997). Functional brand components are associated to immediate practical needs (Wood, 2007; Bhat and Reddy, 1998), rational assessment of product benefits or functional performance (de Chernatony et. al., 2000; Wood, 2000; Mowle and Merrilees, 2005). They are associated with tangible parts of the product (Mowle and Merrilees, 2005) or product physical attributes which form intrinsic advantages of the product (Orth and Marchi, 2007). Wood (2007) estimated that functional performance impact 20% of the product impact in marketing. Functional characteristics have been noted to be mainly tangible and are often defined as measurable (Hankinson, 2004). They are associated with basic motivations like physiological and safety needs and involve a desire for problem removal or avoidance (Keller, 1993). Hankinson (2004) found that organic images which are perceptions built over a long period of time and strongly associated with the brand, are actually functional in nature.

The other commonly cited brand component in the above literature review was symbolic components. They are those features and benefits that are over and above the core product (Wood, 2000) and are often correlated to non-product related attributes (Keller 1993). Symbolic characteristics are psychological and thus cannot be directly observed (Echtner and Ritchie, 1993) and the meaning is normally formed through the socialization process (de Chernatony and McWilliam, 1989). Cooper (1989) found the second category was symbolic and looked at fit with customer lifestyle, customer self-expression and identity, way of life and intuitive likes and dislikes. In the three-tier brand creation model higher tiers correspond to emotional service and value services which were essentially the non-product attributes that were external to core function and...
looked at other dimensions of the marketing mix, imagery, feelings and experience (Maklan and Knox, 1997; Keller 1998). These brand components satisfy over and above functional needs; the higher order needs like self-expression, self-esteem, prestige (Bhat and Reddy 1998; Hankinson, 2005; Wood 2007); emotional values and feelings (Mowle and Merrilees, 2005) and social approval (Hankinson, 2005; Meenaghan, 1995).

Symbolic brand components are strongly associated to intangible components (Mowle and Merrilees, 2005; Hankinson 2005; Wood 2000). They are also more extrinsic in nature to the product (Keller, 1993). The experiential components of the brand as identified by Hankinson (2004, 2005) and de Chernatony and Riley (1998, p. 1076) fall under symbolic components as they are higher order needs. It falls under motivations like social needs, esteem, personal expression/self-actualization (Keller, 1993). This maybe manifested in terms of how the brand related to the customer self-concept, its ability to convey exclusivity (how it related to other customers) and fashionability (Solomon, 1983).

Experiential marketing in the context of tourism and hospitality marketing are found to create value where the customer can be (1) immersed or absorbed and (2) be passive or an active recipient of the experience; this can vary according from reasons of entertainment, educational, aestheticism or escapism (Williams, 2006). A 13 country study by Lindstrom (2005) found that 99% of brand communication focused on two of the key senses – sight and sound though emotional connections are more effective using the synergy of all 5 senses. O’Cass and Grace (2004) found that customers associate distinct dimensions (like employees, facilities, experience and word of mouth) when considering service brands (in this case banking).

2.2: Brand Components: A simplified Classification, Discussion
Keller (1993) associates functional benefits with Maslow’s Motivation. This has been extended by Pearce (1991) specifically from the tourism context. There is an overlap of motive with functional and symbolic brand components. The individual then by a process of elimination selects a destination they would want to visit which is normally image based (Leisen, 2001; Goodrich, 1978). Once committed to the visiting the destination, the destination image is a sum of cumulative experiences and it is difficult to pinpoint a single consumption opportunity (Chen and Gursoy, 2001). Brand image is longitudinal and can refer to various orientations of time: past, present and future (Williams, 2006).

Hence it is possible to conclude that there are two basic underlying dimensions of brands – a functional dimension consisting of tangible or practical attributes or delivery of key benefits and a symbolic or emotional dimension consisting of more intangible attributes (Mowle and Merrilees, 2005; Sirgy and Su, 2000) that contribute to higher order needs.

There is an overlap in areas, for example like tangible reminders. Souvenirs/memorabilia which are tangible hence functional, may have a symbolic association (memories) with the brand (Williams, 2006; Gordon, 1986; Human, 1999). Destinations have an intangible component and intangible products need tangible references points to help customers evaluate their perceptions of the service offerings (McDonald et. al., 2001). Hankinson (2004) found than image attributes like history, heritage and culture was frequently associated with tangibles like buildings and architectural environment. Symbolic aspects like interactions (consumer or/and staff) are manifested through
physical aspects like staff uniforms, training (McDonald et. al., 2001). Chhabra et al., (2003) found that authenticity of heritage tourism (functional DBC) is dependent on perceived authenticity which is partly controlled by media and to a greater extent by WOM.

Based on motivations and association to brand components, it is possible to present a framework for destination brand components (See Figure 1). The higher-order needs are manifested as symbolic components. The lower-order needs are manifested as Functional components. Based on this we can present the following hypothesis.

Hypothesis 1: Symbolic DBC of a destination are more important than functional components in consumer’s assessment of the overall brand image.

Hankinson (2004) identified 11 categories of image attributes that can be fitted into DBC however these findings are perceptions of destination marketers. The findings from the study found that attributes associated with activities and facilities (functional DBC), was the most salient attribute cluster, followed by business tourism (functional DBC), then history, heritage and culture (functional DBC), and finally ambience (symbolic DBC) in the formation of destination marketer’s perception. For business travelers Hankinson (2005) identified 8 attribute clusters looking at event organizers. Hankinson found that
functional attributes were more context related and though conference facilities, accessibility and cost accounted for 71% of the criteria listed by respondents, cost itself virtually had no mention as a brand image attribute. The study found that Ambience-related attributes (symbolic) had a strong role to play for selection though they functional attributes were linked more strongly to overall quality and hence destination attractiveness. This suggests the possibility of two processes that operate simultaneously a hygiene/motivator factor with respect to DBCs.

Hypothesis 2: Functional DBC acts as dissatisfiers or hygiene factors buy Symbolic DBC act as Motivators.

Hankinson (2004) found functional attributes were most important when differentiating between destinations (looking at the broader context of countries), but other studies by de Chernatony et. al., (2000); Jamal and Goode (2001); Caldwell and Freire (2004) and Mowle and Merrilees (2005) found that symbolic properties rather than functional qualities were what the consumer preferred and what gave a greater sustainable competitive advantage. Safety, perceived cultural differences and perceived convenience of transportation were found to significantly affect loyalty of Korean tourists (Chen and Gursoy, 2001) and past trip experiences affect tourist’s selection of destinations and had a direct impact on perceptions of safety. Based on the above and the taxonomy by Balakrishnan (2008) it is possible to correlate the DBC to type of brand component (See Table 1).

Important aspect of branding is “consistency” and the challenging part of branding is “eliminating negative cues….that diminishes, contradicts or distracts from the unity of the theme” (Williams, 2006, p. 490). Since consumers have a tendency to choose products based on the brand image (see Leisen, 2001, p. 50; Gartner, 1989), if is advised that destinations focus on a distinct set of tangible and functional destination attributes (Woodside and Dubelaar, 2002; Woodside and Trappey III, 2001) which will make decision making easier.
Table 1: Destination Brand Components (DBC) as a function of Pierce travel Ladder

<table>
<thead>
<tr>
<th>DBC</th>
<th>Tangible/Visual/Functional</th>
<th>Intangible/Symbolic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physiological</td>
<td><strong>Intrinsic Benefits</strong>: service delivery process, adjectives, Ingredient/associated brands, sponsorships, events</td>
<td><strong>Interpretations and seeding of 5 senses and realistic portrayal of expectations.</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Features</strong>: adjectives; physical justifications, Business tourism facilities, Commercial criteria, Events, Activities, Shopping, Things to do, Functionality, Facilities, Amenities</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Sight</strong>: Name, Logo, Trademark, graphics, symbols, slogans, colors, servicescape Other 4 senses: smell, taste, touch, sound (if distinctive to place for identification)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Tangibles</strong>: Souvenirs, shopping items, Postcards, pictures, movies, ads – Images; information; Buildings architecture, facilities, places of interest, scenary;</td>
<td></td>
</tr>
<tr>
<td>Security/Safety</td>
<td><strong>Safety</strong>: physical, mental, emotional, perceived, and visual reinforcement Organic Images – familiarity an ability to identify visual evidence Convenience: access, facilities &amp; amenities, infrastructure, communication, currency,</td>
<td><strong>Intrinsic benefits</strong>: relevance and representation of the Personality of place as per perception (culture, heritage, ambience). <strong>Features</strong>: perception of ability to satisfy intrinsic needs <strong>Value / expense perceptions,</strong> <strong>Safety</strong>: perception <strong>Convenience</strong>: perception <strong>Service</strong> satisfaction <strong>Conform to social values/WOM</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Travelers-Residents Relationship &amp; bond, familiarity, interaction and empathy.</strong> <strong>Traveler-Traveler</strong> familiarity, interaction and congruence. <strong>Traveler-Social Circle</strong>; conversation topic Image/roles of People associated with service delivery or destination</td>
<td></td>
</tr>
<tr>
<td>Social</td>
<td>People as a symbol: leaders, dress, outward local customs, rituals and ability to adopt. Social segregation when required and ability to deliver as per perceptions.</td>
<td></td>
</tr>
<tr>
<td>Esteem</td>
<td>Ingredient/associated brands, sponsorships, events</td>
<td>Perception of others perception (WOM, Public Relations, Publicity; International reputation) – how its adds value to self esteem Halo effect Association with other “brands”, Image perceptions and how this adds value to esteem</td>
</tr>
<tr>
<td>Self Actualization</td>
<td>Personal visual transformation from experience (self , gifts and house/habit adoption)</td>
<td><strong>Self-image congruence</strong>, personal values, self-personality; lifestyle, self-expression. <strong>Event/Occasion association; ambience</strong>: Experience that creates an Emotions/ Mood/ association with certain Senses Internalization and familiarity of legends of Heroes/Heroine (living, dead and fictitious) Ability to help traveler walk away with personal growth, discovery and fulfillment</td>
</tr>
</tbody>
</table>
The questionnaire was designed in four parts. A self administered questionnaire was used to interview respondents that comprised of four sections so as to analyze the entire thought process of the tourist and link the thought process to the demographic characteristics of the respondent. Several open ended questions were also used to explore the remaining thought process. The analysis of these open ended questions were based on the approach adopted by Finn et al. (2000) and Ibrahim and Gill (2005). This required that similar responses to the open ended questions were grouped together and categorized under common themes; thus allowing the analysis of those factors that were the most important and helped identify words or phrases used by the customer to describe destinations. For pretesting purposes, the questionnaire was administered to a small group of ten respondents who were later interviewed for their opinion about the structure, readability of the questionnaire. The process suggested that a few minor changes in design, content and instructions were required before the study was carried out. The pre-test also indicated that on average, the respondent would take around 10 minutes to complete the various sections of the questionnaire.

A total of 450 questionnaires were distributed and 300 were returned resulting in a response rate of 66.67 percent. After eliminating questionnaires whose responses were incomplete or invalid in regard to the scope of this study, a sample size of 289 respondents were chosen so as to represent the target population. Though it is recognized that the sample size is small; the sample size is comparable to other studies of a similar nature (Chen and Gursoy, 2001; Castaneda, J., Fnas, D., Rodriguez, M., 2007; Law, R., Cheung, C., Lo, A., 2004). The sample was selected based on a quota sampling method by which one thirds of the sample was obtained by interviewing residents of the country of study while the remaining two thirds of the sample represent tourist and other individuals visiting the country. The respondents were then selected by adopting a convenience sampling approach based on factors such as accessibility and willingness to participate within the research project. While the residents were contacted based on referrals, the tourist were mainly contacted through institutions such as the Government of Dubai Department of Tourism and Commerce Marketing (DTCM) who provided the necessary contacts within hotel groups and tourist attractions. These contacts included hotel groups such as the Accor group that comprises of hotels such as The Novotel Trade Centre Hotel and The Sofitel City Centre Hotel as well as tourist attractions such as the Big Bus. These sites were selected based on judgement so as to best represent the population of interest (Jankowicz, A.D., 2000).

3.1 Respondents Characteristics
The target population for this study was pre-specified as individuals who travel for tourism or other leisure purposes and who pay for their package themselves. Table displays the demographic characteristics of the sample. Of the satisfactorily completed questionnaires, 53 percent of the sample was male respondents while 47 percent of the sample represented female respondents. In regards to income, 19 percent of the respondents earned an income of less than 10,000 Dollars per annum; 13.15 percent of the respondents earned an annual income between the 10,000 to 20,000 Dollars; 12.46 percent of the respondents earned an annual income between 20,000 to 30,000 Dollars; 11.76 percent of the respondents fell within the 30,000 to 40,000 Dollars annual income range and 31.14 percent earned an annual income more than 40,000 Dollars. Further, the research project was conducted across 46 nationalities with the most dominant nationalities being Indians (25.26 percent of the sample) and the British (representing 13.49 percent of the total sample). With regards to family status, 41.52 percent of the
sample were single individuals while 57.44 percent represented individuals with a family with an average of 2 children.

4. Analysis & Discussion

The objective of the study is to understand how an individual chooses a certain destination to visit. There are number of hypotheses that can be generated and can be tested using a variety of statistical procedures. Among many others, a simple and straightforward procedure of checking differences between groups of respondents and mean responses will be conducted. Simple descriptive statistics to understand group differences and to determine the likelihood that an individual will belong to a particular class or group based on several variables such as an individual’s perception or experience. Moreover, and depending on the measurement used for the underlying variables (metric or nonmetric), we can think to refine the data analysis by using some multivariate techniques such as the multiple discriminant analysis.

Images cannot be static. A study by Jacobson and Mizik (2008) state that brands with brand energy, the ability to adapt to customers changing needs and trends do far better than more static brands. A study by Gallaerza, Gil and Calderon (2002) find the balance between functional and psychological attributes has not changed over 20 years though they acknowledge that image is not static. There is a need to conduct an empirical study on the how different DBCs may be correlated in terms of importance based on type of destination (leisure, business or mixed). DBCs may vary according to demographic characteristics especially education and exposure to media. This is a vast area of potential research. By identifying from the customer point of view those DBCs with the most values, destinations would be in a position to create a more customer-centric branding strategy and further be able to differentiate from competitors focusing on combinations of components that are unique. Chhabra et al., (2003) found that authenticity is positively correlated to higher tourist expenditures and repeated staged events that reflect authentic heritage result in increase repeat visits. Longitudinal studies on consumer decision making process will also identify for a destination the patterns of DBCs that take precedence at various stages. Further here there has been no distinction made between destination and location brands (see Kerr, 2006) though that would also be a future area of research.

5. Bibliography


