The Management of Destination Branding: Applying Tourist-Based Brand Equity to Utah as a Tourist Destination

Yang Huo[1]

Abstract

By examining the relevant studies and models in the destination brand equity, this study explored the dimensions of the tourist-based brand equity (TBBE) of a destination. In addition, this study observed and identified the tourists' perceptions and their experiences with Utah in the context of four dimensions of TBBE and their relationships. This study also applied the proposed TBBE model as a means of measuring brand equity for Utah as a long haul destination in an emerging market to the domestic and foreign tourists. Confirmatory factor analysis was performed to verify whether the proposed model fit into the Utah case and results indicated the TBBE model fit the data. The results also showed that a positive relationship exists between brand awareness and brand loyalty. The findings suggest that the Utah tourism industry should measure brand equity more closely and extensively with other dimensions to provide an effective marketing strategy to the prospective visitors/tourists.

Keywords: Destination brand, Brand equity, Tourist based brand equity

Introduction

Destinations are considered to be "amalgams of tourism products, offering an integrated experience to consumer-traveler" (Bregoli, 2012). Strategic marketing activity in a destination has been increased significantly in many states since it triggers and increases a positive economic multiplier effect to the community and gains a competitive advantage in an increasingly saturated tourism market. This activity affects the destination's brand which is one of the most valuable assets that a state has. The concept of destination branding is critical for a destination to be identified and differentiated from alternatives in the minds of the target market (Qu, Kim &Im, 2011). In recent years there have been emerging studies about destination brands, images, identities, and brand equity(Chieng& Lee, 2011; Moutinho, Rate, & Ballantyne, 2013; Oliveira &Panyik, 2015;Sartori, Mottironi, &Antonioli, 2012). The brand plays a pivotal role as it influences customer-tourists' choices on the destination. As destination branding becomes a fairly active area of destination marketing organization(DMO), the question remains as to whether there is any congruence between the DMO's marketing activity on the brand image and identity and the recognition on tourist-based brand equity (Pike, Bianchi, Kerr, & Patti, 2010). The critical assumption underpinningregarding the destination brand equity is that effective marketing activity is a mutually beneficial strategy to both the marketer-DMO and the consumer-tourists. In other words, a reason for studying destination brand equity arises from a strategy-based motivation to improve marketing productivity given by the DMO and whether its efforts have influenced the image and identity of a destination brand and has impacted on tourist-based brand equity (Bregoli, 2012).

[1] Hospitality Management, Woodbury School of Business, Utah Valley University, 800 West University Parkway, Orem, Utah, USA, huoya@uvu.edu

The product-oriented concept of brand equity generated by DMO is to be supplanted by customer-traveler focused and based brand equity in order to provide more effective strategic marketing activity and to gain a competitive advantage (Pike, 2016, p. 5-6). By examining the relevant studies and models in the destination brand equity, this study is concerned with exploring the dimensions of the tourist-based brand equity (TBBE)of a destination. In addition, this study observes and identifies the tourists' perceptions and their experiences with Utah in the context of destination branding and brand identity. This study aims to test the proposed TBBE model as a means of measuring brand equity for Utah as a long haul destination in an emerging market to the domestic and foreign tourists. The intent is to test the model from the tourists' perspective and compare the DMO's brand identity campaign.

Literature Review

The literature on branding emerged in the 1990s as an important aspect ofmarketing, and it is widely applied and adopted in tourism field in the late 1990s (Ritchie &Ritchie, 1998). Aaker (1991) proposes the concept of consumer-based brand equity (CBBE) and Keller (1993, 2003) defines brand equity in terms of the marketing effects uniquely attributable to the brand and offered destination marketers a potential performance measure of the extent to which the brand identity has been successfully positioned in the market. Keller (1993) also definescustomer-based brand equity (CBBE) as the differential effect of brand knowledge on consumer response to the marketing of the brand and introduced the attributes of CBBE. Following Aaker (1991), and Keller (1993, 2003), Pile (2004), Konecnik&Gartner (2007), Pike (2005), Pike, et al., (2010) have applied and introduced the concept of CBBE to a destination and have determined the components of brand equity as: brand loyalty, quality, image, awareness, resonance, associations, and salience.   These components are tested, applied in the tourism field of study and augmented and developed in order to determine the suitablecomponents to generate positive effects of DMO's coordination on destination brand identity (Boo, Busser &Baloglu, 2009; Pike et al., 2010; Dolnicar&Grun, 2013). Figure 1 depicts a framework for the tourists based brand equity model based on the literature review and previous studies and has been modified to be applicable to this study. The model is employed and applied to determine the destination brand equity on the destination from the perspective of the individual tourist to Utah. If the Utah community needs to remain competitive to similar destinations, a prominent brand identity is very crucial than competitive states. The proposed TBBE model features four dimensions (see Figure 1), which represent latent variables: brand awareness/salience, brand image, quality, and brand loyalty. Brand loyalty represents the level of attachment to the destination. Brand loyalty has been defined as "the attachment that a customer has to a brand" (Aaker, 1991). This can be viewedin terms of visitation, intent to visit, and word of mouth referrals to others. Brand value is defined as whether the tourist destination provides a tourist more tangible benefits than that of the costs and time generated and created by the tourist.
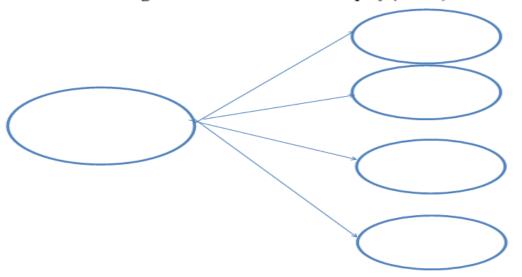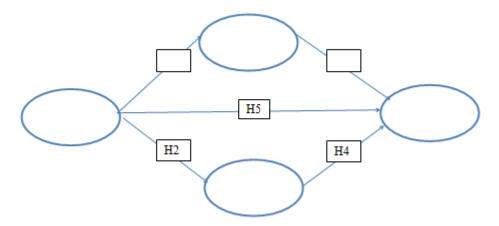

Figure1: Tourist Based Brand Equity (TBBE) Dimensions

The relationships among the four consumer-based brand equity dimensions of brand awareness, brand image, perceived quality and brand loyalty are constructed. The following provides a conceptualization of these dimensions as well as related hypotheses (see Figure 2).

Brand awareness can affect perceptions and attitudes and reflects the salience of the brand in the customer's mind (Aaker, 1996). In addition, brand awareness is a key dimension of brand equity (Keller, 2003) and represents the strength of awareness/salience of the destination for a given travel situation (Pike et al., 2010). Brand awareness is commonly measured by six levels which include (Aaker, 1996): recognition (have you heard of Arches?), recall (what names of natural attractions can you recall?), top-of-mind (the first-named natural attractions in a recall task, brand dominance (the only naturalattraction recalled), brand knowledge (I know what naturalattraction stands for, and brand opinion (I have an opinion about the naturalattraction). Brand image is acrucial dimension in brand equity since it contributes to the tourist's deciding whether or not the brand is the one for him/her (Dolich, 1969). Aaker (1996) defines brand image "how a brand is perceived by theconsumer." Greater awareness or brand salience of a destination will enhance the image of the brand (Pike et al., 2010). Destination image is a multidimensional construct comprising of two primary dimensions: cognitive and effective. The cognitive component can be interpreted as beliefs and knowledge about the physical attributes of a destination, while the effective component refers to the appraisal of the affective quality of feelings towards the attributes and the surrounding environments (Baloglu&McClearly, 1999).Pike et al., (2010) argues that brand awareness is an antecedent of image, and holding a certain level of brand awareness is a prerequisite for image formation. Keller (2003, p. 3) points out that "brand awareness affects consumer decision making by influencing the formation and strength of brand associations in the brand image."

On the other hand, one might argue that different level of awareness could hardly predict the valence of one's destination image. Previous research has found a positive relationship between brand awareness and brand image (Baloglu&McClearly, 2001; Pike & Bianchi, 2010). Thus, the following hypothesis is proposed: Hypothesis 1: Tourist's based brand awareness will have a positive influence on brand image Brand loyalty is considered a core dimension of brand equity (Aaker, 1996) and is defined as "the attachment that a customer has to a brand" (Aaker, 1991).Loyalty is both attitudinal in terms of intent to purchase, and behavioral through word of mouth referrals and repeats purchase(Pike et al., 2010).A basic indicator of loyalty is the amount a customer will pay for the brand in comparison with another brand offering similar benefits and it is called as price premium (Aaker, 1996) the price premium is considered as a brand value which is defined as whether the tourist destination provides a tourist more tangible benefits than that of the costs and time generated and created by the tourist .A tourist is willing to pay more and spend more time as long as the destination can contribute more benefits than that of other competitive destination. High levels of brand image may contribute to brand loyalty (Aaker, 1992; Keller, 1993, 2003). However, there is a congruence about the scale items for each construct.

Brand loyalty can be measured through tourist satisfaction who have visited the destination (i.e., tourist experience) and have a cumulative result of the user experience of the visited destination. Previous research suggests a positive relationship between brand image and brand destination loyalty (Hosany et al., 2006).

Thus, the following hypothesis is proposed: Hypothesis 2: Tourist's based brand image will have a positive influence on brand loyaltyBrand quality is another key dimension of brand equity and it is highly associated with other key brand equity measures (Aaker, 1996; Keller, 2003), and has been used interchangeably with customer perceived quality (Pike et al., 2010).Perceived qualityhas been defined as the "perception of the overall quality or superiority of a product or service relative to relevant alternatives and with respect to its intended purpose" (Keller, 2003, p. 238).Perceptions of quality of a destination brand can be enhanced by tourist's brand awareness.Thus, the following hypothesis is proposed: Hypothesis 3: Tourist's based brand awareness will have a positive influence on perceptions of qualitybrand loyalty which can be measured by the cumulative result of the user experience from the tourist in the context of the price premium can be also associated with brand quality which can be measured by the product based quality such as infrastructure of the tourist destinations and service-based quality rendered by supplier sector such as service encounter between the employees and visitors/tourists. Within the brand loyalty construct, its association with the perceived/perception of quality has been documented in the loyalty literature, and perceived quality and brand awareness have been found to positively relate to brand loyalty (Buhalis, 2000; Pike et al., 2010).Thus, the following hypothesis is proposed: Hypothesis 4: Tourist's based brand perceptions of qualitywill have a positive influence on brand loyalty Hypothesis 5: Tourist's based brand awarenesswill have a positive influence on brand loyalty

Methodology

Research Setting

The State of Utah was deemed an appropriate research setting for the following reasons. First, Utah has been described as the state possessing most natural attractions assets with 14 ski resorts, five national parks, seven national monuments, two national recreations, one national historicsites and 43 state parks. Second, Utah's tourism and travel industry experienced continued economic growth from 2014 to 2016 resulted from digital marketing strategy in brand equity and brand awareness showcase and campaign such as "Road to Mighty" and "Utah Life Elevated."Sample and Data Collection The sample consists of all Utah visitors/tourists who visited Utah regardless of the purpose of the visit, size of the visit, and where they live. The unit of analysis was the visitors/tourists' based brand equity. Special efforts were made to developing indicators for each dimension by constructing the survey questionnaire with the university faculty and pre-testing the questionnaire in the pilot study group. The study instrument is divided into four sections. In the first and second section, the demographical information of traveler for Utah was proposed. In the third section, questions about proposed TBBE components for Utah were posted. In the fourth section, questions about brand identity and image in the context of traveler's perception were employed. In addition, the study instrument format employed closed-ended questions and open-ended questions. For each proposed component, a related set of variables was utilized. The variables were measured on a five-point Likert scale where 1=disagree and 5= strongly agree. In 2014 and 2015 visitors/tourists were contacted by the research team. The survey form was distributed and data were collected at the various tourist sitesin Utah (e.g., Temple Square, Moab, etc.,) and at the conventions/meetings venues. Individual travelers older than 18 years were invited to participate in the field survey. A total of 1,001 domestic and foreign travelers were contacted.

Results

A total of 898 usable responses were used for the data analysis after 108 participants (10.3%) had been removed due to missing dataand even some respondents did not respondto a certain questions and theses were coded as "no response (NR)."The descriptive statistics for the sample are shown for study participants' demographics, the purpose of visit, lengths of stay (see Table 1).The key points of survey participant's profile showing the descriptive statistics are that 53%were male, 65% were aged between 21 and 40 years, 57% were married, and 52.2% had more than four dependent children. 41.31% visited Utah for leisure/pleasure purpose, while 31% visited for family followed by 18% for business, and 69% stayed in Utah more than four days.

Table 1. Descriptive Summary of Participant

Sociodemographic Variable		n=898	%
Gender	Male	474	52.78
	Female	411	45.66
	NR (no response/no answer	3	0.33
Age	15-20	78	8.69
	21-40	586	65.26
	41-60	172	19.15
	61+	59	6.57
	NR	3	4.12
Frequency of Visit	Fist	187	20.82
	Repeat	688	76.61
	NR	23	2.56
Marital Status	Single (Never Married)	298	33.18
	Single (Divorce, Spouse Passed Away)	72	8.02
	Married	513	57.13
	NR	15	1.67
Occupation	Educator (Student & Teacher)	170	19
	Homemaker	124	14
	Employee (Company)	111	12
	Self Employed/Entrepreneur	89	10
	Retired	81	9
	Hospitality (Hotel, Tour, Restaurant)	79	9
	Sale & Marketing	77	9
	Health Care	53	6
	Technician	47	5
	Other	67	7
Income	Less than US$35,000	270	30.07
	US$35001-US$55,000	141	15.70
	US$50,001-US$75,000	158	17.59
	US$75,001-US$95,000	108	12.03
	Over $95,001	113	12.58
	NR	108	12.03
Purpose of Visit	Leisure/Pleasure	371	41.31
	Family Visit	275	30.62
	Business/Meeting	164	18.26
	Other	88	9.80
Type of Visit	Individual (FIT)	534	59.74
	Group	364	40.26
Length of Stay	1 day	25	2.78
	2	81	9.02
	3	167	18.6
	4+	620	69.04

Table 2 lists some of the major attractions in the context of visitors' awareness of the attractions, their experiences on the visitation of attraction, and congruency between awareness and experience. Temple Square appeared to have the highest awareness (91%), experience (73%), and less congruency (-18) followed by Zion's National Park (77%, 46%, -31, respectively), Ski Resort (77%, 43%, -34, respectively), and Lake Powell (76%, 37%, -39, respectively).Geographic distribution of Utah visitors (see Table 3) shows that the major of visitors were from US (75.50) and Canada (24.50), followed by Asia (5.01%), and Europe (3.23%).

Table2. Attractions Awareness

Attractions	Which Utah locations/attractions have you Heard of? (n=898) (%)	Which Utah locations/attractions have you Visited? (n=898) (%)	Congruency between Awareness & Experience (%)
Temple Square	91%	73%	-18
Zion's National Park	77	46	-31
Ski Resort (e.g., Park City)	77	43	-34
Lake Powell	76	37	-39
Arches in Moab	71	37	-34
The Great Salt Lake	70	73	**+3***
Bryce Canyon	65	30	-35
Utah Lake	63	51	-12
Thanksgiving Point	62	40	-22
City Creek	57	51	-6
Antelope Canyon	42	34	-8
Monument Valley	35	12	-23

Table 3. Geographical Information of Participants

Residence Region	Visitors (n=898)	Percentage (5)
North America	760	84.63
Northwest	46	5.12
Midwest	52	5.79
South	99	12.47
West	468	52.12
Canada	292	24.50
Asia	45	5.01
Europe	29	3.23
South America	24	2.67
Africa	14	1.56
Australia	7	0.78
Others	19	2.12

A confirmatory factor analysis (CFA) using Amos 23.0 was conducted since it enables to test how well the measured variables represent the constructs (Hair et al., 2010, p. 668). As the purpose of this study is to test the model which is based on the theoretical underpinning of Tourist Based Brand Equity, it is testing: "Is the measurement model valid?" Hair, et al., (2010) state that Goodness-of-fit (GOF), examining chi-square (χ^2), indicated how well the specified model reproduces the observed covariance matrix among the indicator items (i.e., the similarity of the observed and estimated covariance matrices). The other indices used to provide a confirmatory test of the measurement are as follows: Goodness-of-fit index; higher values indicating better fit when it is greater than .90 typically is considered good. Adjusted goodness-of-fit index (AGFI). COMPARATIVE FIT INDEX (CFI) it is normed so that values range between 0 and 1 with higher values indicating better fit. Root Mean square error of approximation (RMSEA)is best suited to use in a confirmatory model as the sample is larger than 500 respondents and lower RMSEA values indicate better fit.

While the Chi-square statistic was significant and the CMNI/DF ratio was 3.988 (P=0.000) which is not good but as it is between 2.0 and 5.0 acceptable range and it suggest an acceptable fir for the CFA model, other model fit indices were positive (GFI = .915, AGFI = .882, CFI = .921, GFI and CFI exceeded the guidelines of greater RMSEA = .075 was slightly below the .08 guideline for a model (see Table 4).

Table 4. Regression weights and Standardized regression weights

Regression Weights	P value
Brand awareness vs. Brand quality	.313
Brand quality vs. brand loyalty	.093
Brand awareness vs. brand image	.963
Brand image vs. brand loyalty	.815
Brand awareness vs. brand loyalty	.000
Standardized Regression Weights	**Estimate**
Brand awareness recognition (Have you heard of Arches, recall (What names of natural attractions can you recall?) top-of-mind (the first-named natural attractions in a recall task) brand dominance (the only natural attraction recalled) brand knowledge (I know what natural attraction stands for)	.796 .792 .688 .705
Brand image This destination fits my personality as I expected with: (cognitive &effective) Beautiful nature Beautiful mountains and lakes Friendly people Cultural attractions	.404 .831 .692 .237
Brand quality Quality of infrastructure Quality of accommodation Service of employees Level of safety & environment	.347 .378 .643 .695
Brand loyalty Price Premium (This destination generates value (benefits/costs) than other destination) Return (I will visit this destination in the future) Word of mouth (I would like to recommend this destination to others) Preferred Choice (I have made good choice for my vacation)	.985 .976 .619 .754

The standardized regression weightsdemonstrate convergent validity. As can be seen, only one hypothesis was supported and confirmed: the fifth hypothesis (H5) proposed "a positive relationship between brand awareness and brand loyalty." The data identified there is a positive relationship between brand awareness and brand loyalty.

Discussion

Tourism destination branding has gained momentum as stakeholders of tourism industry recognize the economic impact of the tourism industry to the state as it generates significant contribution toward the tax revenue and job creation. The aims of this study were to: i) evaluate the suitability of a TBBE model for Utah as a long-haul destination and ii) test the relationships among the proposed four dimensions of destination TBBE. As the objective of this project is to evaluate the perception of touristsand toward the destination brand equity and tourist based brand equity (TBBE) and its dimensions such as brand awareness, brandimage.

Brand quality and brand loyalty were tested. Confirmatory factor analyses indicateandvalidate that the TBBE model fits the data. The findings of this study show that the association between brand awareness and brand image, brand image and brand loyalty, brand quality and brand loyalty were very weak. While previous studies (Pike, 2005; Pike et al., 2010) have found strong associations among four dimensions of brand equity, this study does not validate all positive relationship among the dimensions. However, there were strong associations between brand awareness and brand loyalty. Brand awareness is the foundation of the model and represents more than simple awareness. The brand awareness indicators suggested that Utah is a well-known and recognized tourist destination to visitors. Of the four dimension, the best results for Utah were found in the brand loyalty scale items such as price premium (This destination generates value (benefits/costs) than other destination) and return (I will visit this destination in the future). Utah visitors are needed to be convinced this is a destination catering to their needs, due to the strong association with brand loyalty. The stakeholders of Utah tourism industry need to verify its current strategic marketing activities-destination brand identity in conjunction with these four dimensions and their indicators in order to identify its congruity and deviation toward brand identity perceived by tourist based brand equity (TBBE). Such disagreement between the activities of the supplied site (DMO) and demanded offering (tourists) of Utah is an area of immediate attention and act as benchmarks for Utah community. This study will make an important contribution to Utah community in understanding particular situations of destination brand management and providing better opportunities and benefits to Utah community and positioning its strong brand identity to prospective Utah visitors (i.e., tourists and meeting attendees).As Pike et al., (2010) suggest the positive results for the awareness scale items lead to the suggestion that future advertising by Utah Office Tourism should take advantage of this and focus on a call to action for brand loyalty rather than image building. Even tourism researchers have examined and measured brand equity dimensions and their association with them, there remains a lack of theory that addresses the measurement of the effectiveness of a destination brand over time.

One of the reasons for this is that relative to products; destination brands are far more multi-attributed and multidimensional (Pike et al., 2010). Due to the complexity of brand equity from a diverse range of natural attractions and tourist's perception, demographics, and motivation, the brand equity should be measured more closely and extensively in order to provide effective marketing strategy to the prospective visitors/tourists.

References

Aaker, D. A. (1991). *Managing Brand Equity.* New York, NY:Free Press.

Aaker, D. A. (1996), Building Strong Brands. New York, NY:Free Press.

Boo, S., Busser, J. &Baloglu, S. (2009). A model of customer-based brand equity and its application to multiple destinations. *Tourism Management, 30,* 219-231.

Baloglu, S. &McClearly, K. W. (1999). A model of destinationimage**.** *Annals of Tourism Research, 26*(4), 868-897.

Bregoli, I. (2012). Effects of DMO Coordination on Destination Brand Identity: A Mixed-Method Study on the City of Edinburgh. *Journal of Travel Research, 52,* 212-24.

Buhalis, D. (2000). Marketing the competitive destination of the future. *Tourism Marketing, 21*(1), 97-116.

Chieng, F.Y., & Lee, G.C. (2011). Customer-based brand equity: A literature review. *Journal of Art Science & Commerce, 2*(1), 33-42.

Dolich, I.J. (1969). Congruence relationships between self-images and product brands. *Journal of Marketing Research, 6*(1), 80-4.

Dolnicar, S. &Grun, B. (2013). Validly measuring destination image in survey studies. *Journal of Travel Research, 52* (1), 3-14.

Gartner, W. C. (1993). Image information process. *Journal of Travel and Tourism Marketing, 2* (3), 191-215.

Gunn, C. (1998). *Vacationscape: Designing Tourist Regions* (2ⁿᵈed.). University of Texas, Austin, Texas: Bureau of Business Research.

Hair, J.F., Black, W.C., Babin, B.J., & Anderson, R.E. (2010). Multivariate Data Analysis (7ᵗʰed.). Upper Saddle River, NJ: Prentice Hall.

Hosany, S., Ekinci, Y. &Uysal, Y. (2007). Destination image and destination personality. *International Journal of Culture, Tourism and Hospitality Research. 1(1),* 62-81.

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing, 57*(January), 1-22.

Keller, K. L. (2003). *Strategic Brand Management.* Upper Saddle River, NJ: Prentice Hall.

Konecnik, M., & Gartner, W. C. (2007). Customer-based brand equity for a destination. *Annals of Tourism Research, 34*(2), 400-421.

Moutinho L, Rate, S., & Ballantyne, R. (2013). *Futurecast: an exploration of key emerging megatrends in the tourism arena.* In: Costa C, Panyik E, and Buhalis D (eds) Trends in European Tourism Planning and Organisation. Bristol/Buffalo/Toronto: Channel View Publications, 313–325.

Oliveria, E., &Panyik, E. (2015). Content, context and co-creation: Digital challenges in destination branding with references to Portugal as a tourist destination. *Journal of Marketing, 21*(1), 53-74.

Pike, S. (2005). Customer-based brand equity for destination: Practical DMO performance measures. *Journal of Travel and Tourism Marketing, 22*(1), 51-61.

Pike, S. (2016). Destination Marketing: Essentials. 2016.New York, NY: Routledge.

Pike, S., Bianchi, C., Kerr, G., & Patti, C. (2010). Consumer-based brand equity for Australia as a long haul tourism destination in an emerging market. *International Marketing Review,27*(4).

Pile, S., & Ryan, C. (2004). Destination positioning analysis through a comparison of cognitive, affective, and conative perceptions. *Journal of Travel Research, 42*(4), 333-342.

Qu, H., Kim L.H., Im, H. H. (2011). A model of destination image: Integrating the concepts of the branding and destination image. *Tourism Management,32*, 465-476.

Ritchie, J.R. & Ritchie, R. J. (1998). *The Branding of tourism destinations; Past achievements & future challenges.* A basic report for presentation to the 1998 annual congress of the International Association of Scientific Experts in Tourism Marrakech, Morocco.

Sartori, A., Mottironi, C., &Corigliano, M.A. (2012).Tourist destination brand equity and international stakeholders. *Journal of Marketing, 18*(4).327-340.