CHAPTER ONE

INTRODUCTION

1.1: Tourist behaviour

Tourist-consumer behaviour is a complex process for it is “discretionary, episodic, future oriented, dynamic, socially influenced and evolving” (Pearce, 1993, p. 114). It is made up of a number of inter-related stages, ranging from the identification of needs or motives to the consumption and assessment of their experience (Goodall, 1991). These stages are influenced by variables which may be personal or external such as age, nationality, gender, time, social stimuli, media and so on, with each stage building upon previous stages. Tourism consumption begins with motive, which pushes an individual towards activity. Clawson and Knetsch (1966) noted differences between tourist behaviour and consumer behaviour in the following aspects: (1) anticipation (2) travel to the site (3) on-site experience (4) return travel component and (5) extended recall. In the anticipation phase, tourists pre plan and think about their upcoming travel, may be years in advance. Distinct from consumer behaviour, are the second and the fourth phases, which involve travel to the destination and return home. These two phases constitute important aspects of tourists’ experience, which is intangible. During the trip, a tourist views, feels and absorbs the place visited, resulting in personal reactions and socio-environmental consequences, which are distinct aspects of tourist behaviour. The final phase of extended recall may last for years and may be increased by travel bragging or by repeat visit.

Tourist behaviour concerns tourists, that is, their experiences and how they partake and enjoy these experiences (Pearce, 2005). It also concerns various stakeholders such as policy makers, those involved in tourism business and the local community as indicated in Figure 1.1.
Tourist behaviour matters to

- Tourists
  Particularly for personal satisfaction and growth

- Public sector managers
  Particularly for managing impacts, generating community benefits
  Occasionally to the media for high-profile incidents

- Business interests
  Particularly for marketing, sales, management and profitability
  Resulting political interest

But in general to tourism analysts and researchers, especially to assist in the analysis of business performance, to understand socio-cultural and environmental concerns, and to consider tourism as a social institution in contemporary life.

Source: Adapted from Pearce (2005)
Various enabling decisions need to be taken by policy makers, the success of which depends on an understanding of what matters to the tourist. For instance, decisions on factors which will draw tourists to the destination require an understanding of what motivates a tourist to undertake a trip. Similarly, decisions regarding the tourists’ experiences and product development require an understanding of various dimensions such as activities, culture and satisfaction. Likewise the local community would benefit with an understanding of the impact of tourist behaviour on the environment, economy and socio-cultural dimension of the place.

Pearce (2005) suggested a concept map for understanding tourist behaviour (Figure 1.2). Key characteristics of a tourist can be captured by using demographic variables such as age, nationality, gender, education, occupation, household composition and income, which can also be used to assess tourists’ markets. Tripographics (Hu & Morrison, 2002) are variables describing tourists’ travelling styles such as accommodation, travel arrangement and travel party, and have been widely employed in constructing organizing systems. The demographics and psychographics of tourists affect their choices. Destination characteristics analysed in terms of physical, human and social dimensions in conjunction with the tourists characteristics produce a destination image which serves as a precursor to destination choice. Tourist behaviour can also be studied in terms of tourists’ interaction with other tourists, employees and local communities. Meeting fellow tourists constitutes an important aspect of tourist behaviour. Interactions may result in a positive view; wherein tourists learn about other cultures or seek information. Interactions may also lead to negative views wherein other tourists are perceived as being noisy or as a crowd. Tourists evaluate their experience based on their encounter with service staff which impacts their satisfaction. An understanding of tourists’ on-site behaviour helps to promote sustainable tourist behaviour. This involves an understanding of the place in terms of activities, resources and the impacts of the tourists’ on-site behaviour. Tourists’ on-site behaviour may result in negative effects such as environmental concerns, culturally-offensive behaviours and lifestyle changes, which may be offset by increasing conservation efforts, local opportunities and also the economic well being of the locals (Dowling, Newsome & Moore, 2002). Satisfaction is a widely used outcome measure which has linkages to tourists’ activities
and on-site experience. A continuous monitoring of satisfaction may prevent the product from becoming unattractive.

Figure 1.2: Concept map for understanding tourist behaviour

Source: Adapted from Pearce (2005)
1.2: Shopping: an aspect of tourist behaviour

Shopping is inherent to tourist behaviour and is a growing component of the tourism value chain (UNWTO, 2014). Shopping has been recognized by the World Tourism Organization as one of the main drivers for attracting tourists, especially international tourists (etourbonews, 2013). It is a popular tourist activity, and comprises a big portion of a tourists’ travel expenditure (Timothy & Butler 1995; Turner & Reisinger 2001; Goeldner, Ritchie & McIntosh 2000; Timothy, 2006). For instance, according to Longwoods International, a travel research quarterly in the U.S., 43 percent of tourists visiting the Savannah in 2012 reported shopping to be an important part of their trip, with annual spending on shopping close to $400 million (Savannahnow, 2013). Shopping is stated to constitute 50 percent of expenditure at a destination for international tourists (Mak, Tsang & Cheung, 1999). In Italy, Russian tourists spent 27 percent, Ukrainians spent 48 percent, Chinese spent 21 percent and Americans spent 6 percent on shopping in 2012. Furthermore, Italy received revenues from tourists’ shopping: EUR 1000 per tourist on average from tourists’ hailing from Hongkong, followed by EUR 903 from Chinese and EUR 817 from Americans in 2013 (etourbonews, 2013). Given the popularity of shopping as a travel activity and the benefits to the local economy of a destination, an understanding of tourist shopping behaviour is imperative to researchers and practitioners alike.

Shopping is important in attracting tourists to the destination. It may serve as an attraction in a destination, even if it is not the primary motive. Research in tourism shopping is recent (Moscardo, 2004). Vacation is leisure time and people shop and behave differently when on a vacation (Timothy, 2006). People who do not shop at home invest significant time and money shopping during vacation (Christiansen & Slepenger 2002). Hence understanding Tourists shopping behaviour is complex and calls for investigation from different perspectives such as leisure/tourism, retail and consumer behaviour.
Tourists purchase a range of products. Initial investigations into tourist shopping suggested that tourists purchase souvenirs (Timothy, 1998; Kim & Littrell, 1999; Wilkins, 2011). However, tourists’ shopping has progressed, and now encompasses a range of products such as electronics, clothes and jewellery (Timothy, 2006). There exist relatively few empirical studies on tourist shopping behaviour (Lehto, Cai, O’Leary & Huan, 2004; Rosenbaum & Spears 2006). Cities such as Barcelona, Venice, Vienna, Sao Paulo, Rimini and Bangkok, and countries such as Malaysia, Turkey and US, have sought to capitalize on tourists’ shopping as it benefits the retail sector in addition to tourism (UNWTO, 2014). Various stakeholders like the Destination Marketing Organizations (DMO), mall managers and retailers seek to benefit from this synergistic relationship between retailing and tourism by encouraging more sales, revisits and positive word of mouth for the destination.

Shopping Festivals may be viewed as a type of Shopping Tourism. They have come to be promoted as tourism products by the DMO, as they attract tourists and contribute to the local economy. There are presently 18 shopping festivals being organised by various destinations around the world. A few examples are Dubai Shopping Festival (DSF), Riyadh Festival for Shopping and Leisure, Qatar Summer Wonders, The Great Singapore Sale, Ankara Shopping Festival, Cannes Shopping Festival, Sharjah Spring Promotion, Magnificent Mile Shopping Festival (Chicago), Kerala Shopping Festival, Jaipur Shopping Festival, Amazing Thailand Grand Sale, Istanbul Shopping Festival and 1 Malaysia Year End Sale. Malaysian shopping festival (1Malaysia Year End Sale) contributed 5.5 Billion USD to the economy in 2012. Furthermore, shopping and retail tourism is stated to be the key driver of tourism during Visit Malaysia Year 2014 (Star/Asia News Network, 2013).

1.3: Rationale for the study

Tourist shopping is different from shopping at home, for vacation is leisure time (Timothy, 2006). Butler (1991) stated that while on vacation, money is spent casually on shopping, often on non-essential items. Comparing the shopping behaviour of residents and tourists in malls, Christiansen and Snepenger (2002) reported differences in shopping experiences between the residents and tourists. While the residents focused on service attributes such as parking and
opening hours, the tourists emphasized on the novelty of shopping. Oh, Cheng and Lehto (2004) opine that “tourism shopping is a hedonic recreational activity encouraged by the consumption of place”. Since tourism shopping is a leisure activity, the motives for shopping at a destination would differ from shopping at home (Kinley, Josiam & Kim 2003; Ng 2003). Shopping, considered a chore at home is a source of pleasure and excitement on vacation (Buttle, 1992). It is also a means of experiencing local culture (Wang, 2004). Oh et al. (2004) therefore suggested tourist shopping behaviour requires separate attention and in studying tourist shopping behaviour, a framework distinct from consumer shopping behaviour should be used. Apart from the motive for shopping, a tourist’s travel motive may also impact his/her shopping behaviour. In order to better understand tourist shopping behaviour, it is imperative to incorporate factors which impact behavioural patterns of tourists, socioeconomic and psychologically important variables (Ng, 2003; Coles, 2004; Hobson, Timothy & Kim, 2004; Yüksel, 2007). Tourist shopping has hitherto been studied as a travel activity; in terms of souvenir purchase, shopper typology, shopping preferences and shopping satisfaction (Heung & Cheng, 2000; Kim & Littrell, 2001; Turner & Reisinger, 2001; Lehto et al., 2004; Lehto, Chen & Silkes, 2014).

Research on tourism shopping behaviour is in a nascent stage and pioneering work in the field needs to be undertaken to develop a comprehensive theory of tourism shopping (Rosenbaum and Spears, 2006; Timothy, 2006).

Shopping festivals are promoted by various destinations as tourism products to attract international tourists. “Shopping” constitutes the core product of the festival. Stakeholders expect tourists to travel during this period with shopping as the primary motive. There has been no conceptual framework to understand the travel motives and shopping behaviour of tourists to a shopping festival. Therefore, the aim of this study is comprehend the travel motives and shopping behaviour of tourists to a shopping festival by synthesizing extant literature from Leisure/Tourism, Consumer Behaviour and Retail. This study empirically tests the proposed conceptual framework on the travel motives and shopping behaviour of international tourists to a shopping festival.
1.4: Statement of the problem

Shopping festivals are being promoted as tourism products, aimed at drawing tourists who shop. Despite the existence of shopping festivals for the past 17 years, there exists no empirical research and hence a lack of understanding on why tourists visit a shopping festival; and on their shopping behaviour during the festival.

Foregone sections suggest the growing importance of shopping festivals with destinations adopting them to realize the synergies between tourism and retail. This study on the travel motives and shopping behaviour of international tourists to a shopping festival will add to the existing literature. It will also facilitate stakeholders such as the DMO, retailers and mall managers in drawing policies and marketing plans for shopping festivals.

1.5: Summary of relevant literature

This section provides a brief review of extant literature pertaining to travel motives and shopping behaviour of tourists.

Motivation is an important variable in tourism research and is stated to be the starting point in studying tourist behaviour and understanding tourism consumption. Several theories such as Maslow’s hierarchy of needs theory (1970), Plog’s theory (1974), Travel career ladder (Pearce & Caltabiano, 1983; Moscardo & Pearce, 1986; Pearce, 1988, 1993) Mannel and Iso Ahola’s (1987) escaping and seeking dimensions and Travel career pattern (Lee & Pearce, 2003) have been propounded to explain tourists’ travel motives. Researchers have however used the push-pull theory to study the travel motives of tourists in the context of pleasure travel and festivals and events, and this theory states that individual’s travel motive is divided into two forces namely the push forces and the pull forces. The push factor is intrinsic to the individual and is responsible for initiating a desire to travel whereas the pull factor represents the destination’s attraction and helps in destination choice (Crompton, 1979). People travel because of their own internal forces and are simultaneously pulled by destination attractions and attributes (Uysal &
Jurowski 1994; Cha, McCleary & Uysal, 1995). Common travel motives delineated by various researchers across studies pertain to dimensions such as escape, relaxation, novelty, kinship, sightseeing, culture and nature (Lee, 2000; Nicholson & Pearce, 2001; Klenosky, 2002; Sirakaya, Uysal & Yoshika, 2003; Yoon & Uysal, 2005; Kau & Lim, 2005; Sangpikul, 2008).

Extant literature suggests that shopping is an accepted tourist activity (Timothy & Butler 1995; Goeldner et al., 2000; Turner & Reisinger 2001; Timothy 2006). Tourist shopping has been studied extensively in the context of souvenirs, which constitute the most widely purchased products by tourists and also an important aspect of tourists’ experience (Wilkins, 2011; Swanson & Timothy, 2012). Shopping motives is an important construct in studying shopping behaviour and is a driving force within consumers which makes them shop. Literature suggests that tourists shop to take advantage of price, lower taxes and quality of goods. They also shop for products not available at home and for keepsakes and gifts (Keown, 1989; Butler, 1991; Mok & Lam, 1997; Hobson & Christensen, 2001; Kim & Littrell, 2001; Paige & Littrell, 2003). Tourist shopping experience, which involves interactions between the tourists, shopping environment, product attributes and services, constitutes another important dimension in understanding the shopping behaviour (Jansen-Verbeke, 1991; Pizam & Ellis, 1999, Timothy, 2006). Research indicates that both utilitarian and hedonic values can be attained by customers during a shopping experience (Babin, Darden & Griffin, 1994; Babin & Attaway, 2000; Michon & Chebat, 2004; Stoel, Wickliffe & Lee, 2004; Carpenter, Moore & Fairhurst, 2005). Shopping value influences satisfaction, word of mouth, repatronage intention and loyalty (Jones, Reynolds & Arnold, 2006).

1.6: Research objectives

This study has two objectives which are stated as follows:
1. To study the travel motives of tourists visiting a shopping festival
2. To study the shopping behaviour of tourists during the shopping festival

1.6.1: Research questions

More specifically, the study was designed to answer the following research questions.
1. Why do tourists travel to a shopping festival?
2. Why do tourists shop during a shopping festival?
3. What is the effect of demographic and tripographic characteristics on the tourists’ travel motives and shopping behaviour?
4. What is the effect of promotions on the tourists’ shopping behaviour?

1.7: Research hypotheses

Drawing from the above mentioned objectives of the study, the following five research hypotheses were proposed. Hypothesis 1 pertains to objective 1 and hypotheses 2-5 pertain to objective 2.

H₁: There is a significant difference in the travel motives of tourists
   H₁₁: There is a significant difference in the travel motives of tourists and their demographic characteristics (such as nationality, gender, age, education, employment and income)
   H₁₂: There is a significant difference in the travel motives of tourists and their tripographic characteristics (such as travel companion and visit status)

H₂: There is a significant difference in the shopping motives of tourists
   H₂₁: There is a significant difference in the shopping motives of tourists and their demographic characteristics (such as nationality, gender, age, education, employment and income)
   H₂₂: There is a significant difference in the shopping motives of tourists and their tripographic characteristics (such as travel companion and visit status)

H₃: There is a significant difference in the shopping experience of tourists
   H₃₁: There is a significant difference in the shopping experience of tourists and their demographic characteristics (such as nationality, gender, age, education, employment and income)
   H₃₂: There is a significant difference in the shopping experience of tourists and their tripographic characteristics (such as travel companion and visit status)

H₄: There is a significant difference in the shopping value of tourists
H₄ₐ: There is a significant difference in the shopping value of tourists and their demographic characteristics (such as nationality, gender, age, education, employment and income)

H₄₆: There is a significant difference in the shopping value of tourists and their tripographic characteristics (such as travel companion and visit status)

H₅: There is a significant association in the products purchased by tourists

H₅ₐ: There is a significant association between the products purchased by tourists and their nationality

1.8: Research context

Anwar and Sohail (2004) conducted a study to assess the perception of first time and repeat visitors to the United Arab Emirates (UAE) on their travel experience, satisfaction and events organised in UAE. They reported that DSF played an important role in promoting tourism in the country. Among the various tourist activities/attractions included in the study—desert safari, camel race, horse race, cultural events, malls, sports, beaches, parks and gardens, shopping festivals and historic places, majority of the tourists were attracted by shopping festivals. The study also reported that UAE is perceived to be a shopping haven. A study conducted by Balakrishnan (2008) reported that shopping festivals such as DSF, Dubai Summer Surprise and Ramadan accounted for two-thirds of sale of annual gold and diamond jewellery. This was in contrast to the motives stated by tourists in a survey conducted during 1998-1999 by Dubai Commerce and Tourism Marketing (DTCM, 2007) wherein tourists indicated that they travelled to Dubai for leisure, followed by business with shopping receiving lowest priority. These studies (Anwar & Sohail, 2004; Balakrishnan, 2008) indicate the growing popularity of DSF and also it’s potential to draw tourists and contribute to various sectors of the economy.

Dubai has been ranked as ninth among the world’s top 12 shopping cities in 2014 (CNN, 2014). Dubai is the second most important retail destination, behind London for the third consecutive year (Jimma, 2014). Furthermore, it has retained its position as the second most important city for ‘cross border’ retailers behind Hong Kong. This speaks of a destination’s competitiveness in luring a major world retailer. According to the Jones Lang LaSalle, the retail gross leasable area
(GLA) in Dubai was 2.8 million sq. meters in Q1 of 2013 (Deulgaonkar, 2013). Dubai Mall, with a total retail floor area of 12.1 million square feet, has 1200 stores and is stated to be among the world’s most visited malls for shopping. Similarly, the Mall of the Emirates measures 2.4 million square feet and has 520 stores. Burjuman, Deira City Center, Ibn Battuta, Mirdiff City Center, Festival Center, Dubai Marina, Mercato Mall, Wafi Mall are some of the popular malls in Dubai.

DSF has been the longest running shopping festival in the world. Its first edition in 1996 was largely a street festival. Over the years, the shopping festival has positioned Dubai, an emirate city in the United Arab Emirates (UAE) as a retail hub in the region with the destination being promoted as a shopping destination with various shopping festivals like DSF, Dubai Summer Surprise and Eid in Dubai. Table 1.1 details the tourist arrival and spending during DSF from 1996-2013. DSF now accounts for 30 percent of the annual retail sales of the emirate and has helped reinforce Dubai’s reputation as a global tourist attraction. By 2017, the tourist retail industry in Dubai is forecasted to reach USD 8.98 billion (The national, 2013).

DSF is organised by Dubai Festivals and Retail Establishment (DFRE), established in 1996, as an agency of Dubai, Department of Tourism and Commerce Marketing (DTCM), with the aim of positioning Dubai as a destination for business, family and shopping tourism. The Department of Economic Development (DED), Dubai, is responsible for monitoring other stakeholders such as the retailers and mall groups. Strict guidelines are issued by DED, which ensures that the shopping festival is organised in an efficient manner. The malls and retailers need to obtain permissions from DED to organise any promotional campaign. Advance permissions need to be obtained stating the nature of promotional campaign, duration and location of the promotion, the number and value of the prices offered by the retailer, the date of the raffle draw and the mode of disbursement of the prizes. The Government of Dubai also requires the retailer to take necessary permits regarding sales and clearance of products listing out the sale price list, the cost price, the normal selling price, discounted price and percentage discount.
<table>
<thead>
<tr>
<th>Year</th>
<th>Visitor Arrival (Million)</th>
<th>Visitor Spending (USD Billion)</th>
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<tbody>
<tr>
<td>1996</td>
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</tr>
<tr>
<td>1997</td>
<td>1.6</td>
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<td>2000</td>
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<td>2001</td>
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<td>2003</td>
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<td>1.39</td>
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<tr>
<td>2004</td>
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<tr>
<td>2006-2007*</td>
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<td>2008</td>
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</tr>
<tr>
<td>2013</td>
<td>4.66</td>
<td>4.16</td>
</tr>
</tbody>
</table>

Source: Compiled from data in Dubai Events and Promotions (2013) and Dubai Economic Council, Gulf News, 2014

*DSF 2006 was cancelled because of the demise of the Deputy Ruler of Dubai

The campaign cannot be extended without the permission of the concerned department. Permits need to be obtained for opening the retail stores after the scheduled business hours, advertisements and of circulation of brochures.

All competitions such as the raffle draw needs to be organised in the presence of a representative from DED with prizes to be handed over to the winners within the specified deadline. The department mandates that the winners be notified about the result of various competitions. Furthermore, a proof that the winners have received the prize needs to be submitted to DED. Any violation of the specified norms attracts fines. In case of any unclaimed prizes, the same needs to be handed over to the Economic Department. The promotion policies followed ensures that there is fairness and transparency in the retail promotions.

*1.8.1: Promotions organised during the shopping festival*
The malls organised various in-house raffles and in-mall events like theatre, dance, music and fashion shows. The malls have extended shopping hours to facilitate shopping and the stores organised various promotions on merchandise to encourage sales. Sales discounts range from 25 percent to 75 percent on a range of products such as electronics, fashion apparels, watches, jewellery, cosmetics, automobiles, home furnishings, real estate, sportswear and equipments. Different types of retail promotions are offered by the retailers, brands, trade bodies and malls ranging from raffles, bundle offers, sales discounts, and discount coupons. Annexure III details various types of promotions organised during DSF 2013.

The gold promotions (Annexure III, table 1.4) were estimated to benefit 454 winners, who would win 15 kg of gold in addition to USD 0.54 million in cash. The malls also organise in-mall events like theatre, dance, magic shows and music and fashion shows during the shopping festival. As a part of the shopping festival, various events such as cultural performances from various countries, cultural night markets, International Kite Festival, Bedouin Lifestyle Camp showcasing the life of desert nomads; sporting events such as Standard Chartered Marathon and UAE International Basketball Championships are organised (Gulf news, 2013).

1.9: Delimitation of the study
The findings of this study are delimited to the Dubai Shopping Festival, as it constitutes the research context of the current research. Furthermore, specific destination factors (such as accommodation and sightseeing) and events organised during the shopping festival are not considered in the study.

1.10: Significance of the study
This research is a pioneering study on the travel motives and shopping behaviour of tourists in a shopping festival with implications for both the academia and industry.

At the conceptual level, this study seeks to highlight the existence of shopping festivals as a form of shopping tourism. The shopping behaviour of tourists during the shopping festival is also emphasised. The findings of this study may be used to develop a model for shopping festivals.
At the research level, the study highlights the use of Push and Pull model to study the travel motives of tourists to a shopping festival. The study has also developed a typology of tourists to the shopping festival, besides compiling various elements that impact/represent the shopping behaviour of tourists to a shopping festival.

At the policy level, the findings of the study will help the DMO in product development. It will also help the DMO in developing specific promotion strategies for tourists from different countries.

At the implementation level, stakeholders such as malls and retailers can take cognisance of the findings and develop specific marketing strategies for tourists from different countries.

1.11: Organization of the study

The thesis on “A study of travel motives and shopping behaviour of tourists with reference to an international shopping festival” is organised into five chapters.

Chapter One presents a brief description of the topic, rationale for the study, statement of the problem, a summary of the literature reviewed, objectives, research questions, hypotheses and research context.

Chapter Two “Literature Review” provides a review of extant literature in terms of travel motives of tourists, shopping motives of tourists, tourist shopper typology, shopping experience, promotions and shopping value. Drawing from the reviewed literature, a conceptual framework is also developed to guide the study.

Chapter Three “Methodology” dwells on research design, data collection and statistical tools used in the analysis.
Chapter Four “Analysis and Findings” reports the results pertaining to the research objectives. Hypotheses are tested and results are presented.

Chapter Five “Discussion, Suggestion and Conclusion” presents the interpretation of the findings, the linkages between them, implication and limitations of the study. The chapter also makes suggestions on the scope for future research.