Applying Consumer Behavioral Theory To VFR Travellers

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ABSTRACT

This study contributes to the understanding of the visiting friends and relatives (VFR) travel segment, as it focuses on the use of internal and external information sources for travel consumer behaviour, discussing the implications of distribution channels. The data are representative of the province of Arcadia, Greece, serving as a research field of a longitudinal study. The results of the research give the industry the possibility of improving information distribution systems and an understanding of VFR travellers' consumer behaviour in order to make adequate marketing decisions.

Keywords: VFR travellers, consumer behaviour, distribution channels

1. INTRODUCTION

This study contributes to the understanding of consumption behaviour of VFR travellers in a 'during the trip' context. It focuses on the use of internal and external information sources for travel consumer behaviour, discussing the implications of distribution channels. Distribution channels are the paths by which tourism organizations execute the communication and sale of their products and services. To varying degrees, all tourism product suppliers depend on these channels for the distribution of their products. While the importance of understanding and managing the structure and behaviour of such channels has been clearly identified in many mainstream academic and trade publications, relatively little tourism research attention has focused on VFR travel. The data of this study are representative of the province of Arcadia, Greece, serving as a research field of a longitudinal study. The results of the research give the industry the possibility of improving information distribution systems and an understanding of VFR travellers' consumer behaviour in order to make adequate marketing decisions.

2. BACKGROUND LITERATURE

The Visiting Friends and Relatives (VFR) form of tourism is likely to be the oldest form of travel (Backer, 2011) as travelling to visit friends and relatives has always been socially important. VFR is defined as ''a form of travel that is about being co-present with significant 'faces', being their guests, receiving their hospitality and perhaps enjoying their knowledge of local culture'' (Larsen et al. 2007: 247). There is however a definitional issue in VFR travel: VFR is commonly categorised by purpose of visit (Yuan et al. 1995:19; McKercher, 1995:246), but it can also be categorised by accommodation type (King, 1996; Kotler et al. 2006: 748; Boyne et al. 2002:246). Thus, in tourism literature, visiting friends and relatives (VFR) travel is recognised as having a multifaceted nature and might be a kind of hybrid travel, i.e. travel which comprises a mix of pleasure, business and VFR travel experiences. However, purpose of visit definitions will capture different people than accommodation definitions will; nor all VFR travellers who stay with friends and relatives state a VFR travel purpose, and neither all people who travel for VFR purposes stay with friends and relatives (Moscardo et al. 2000; Jackson, 2003). This misconception about the VFR market in general, based on its non-commercial accommodation usage and assumed within-group homogeneity, has led to a lack of empirical research on this topic. Some exceptions are Seaton and Palmer, (1997), Braunlich and Nadkarni, (1995), and Moscardo et al. (2000), who show that while VFR travellers are commonly considered to spend less than other types of tourists, more detailed comparative analysis indicates that this market should not be disregarded.

Another strong indication that VFR can be a lucrative market for destinations is the link between repeat visits and VFR tourism (Tiefenbacher et al. 2000). VFR travel is also less susceptible to seasonality, as tourist arrivals tend to disperse more evenly throughout the year (Hu and Morrison, 2002; Seaton and Palmer, 1997). Moreover, VFR travel was found to be distributed more equally throughout the destination, benefiting areas beyond classic tourism hubs (Jackson, 2003), and is less influenced by image and political instability concerns (Asiedu, 2008). VFR was also found to be one of the major motivations for both domestic and international traveling (Pennington-Gray, 2003; Yuan et al. 1995), and to have close association with immigration patterns (Bywater, 1995), which generate two-way movements of ''ethnic'' tourism: emigrants who return to their homeland out of sense of belonging and identification with its way of life, and their friends and families who travel to visit them in their current country (King, 1996). VFR tourism is now considered as a market segment with significant relevance to the tourism-related economy as well as to the hospitality industry (Lehto et al. 2001).

The present study uses "multistage segmentation" as in several major hospitality and tourism texts, the use of a "combination" of multiple variables rather than just one has been recommended (Kotler et al., 2006). The "Purpose of trip" and the inclusion of more trip-related characteristics such as length of stay and size of the travel party (Sung et al. 2001), is recognized as one of the non-traditional segmentation bases closely associated with travel motivation, and has been approached from different perspectives. Information source usage has also been used empirically as a segmentation variable. When employed as a descriptor to profile the behaviour of tourists who have been segmented on some other basis, information search has provided valuable insights for planning marketing strategies and targeting marketing communications. With increasing frequency, tourists have been directly segmented based on their search behaviour (Bieger and Laesser, 2004; Fodness and Murray, 1997; Crotts, 1998). Understanding how customers acquire information is important for marketing management decisions. The Internet has also intensified the complexity of the travel decision-making process, as it has become an important channel for travellers' information search (Gretzel et al. 2006; Xiang et al. 2008). The Internet provides an opportunity for travel and tourism service providers to intermix traditional marketing channels (i.e., distribution, transaction, and communication) that were previously considered independent processes (Peterson, 2003; Zins, 2009).

Thus, the literature review offers a number of options to analyze the profile of VFR travellers: firstly, an analysis of the socio-demographic characteristics. Secondly, an analysis of their trip characteristics: trip organization (package holiday/self guided holiday), time used to make the trip decision, type of accommodation, travel companion and booking. Thirdly, an analysis of their information sourcing behaviour, based on internal and external information sources, and ICT use in particular: the Internet, the use of Global Positioning System (GPS) and the Personal Digital assistant (PDA).

3. DATA COLLECTION AND ANALYSIS

This investigation was designed to further understand the tourism market in the province of Arcadia, Greece, over a period of 12 months, between July 2007 and July 2008 to eliminate seasonality. The survey, included Greek and foreign tourists in the region. In most cases, the hotel owner or manager agreed to collect the data for the study, as the survey questionnaires were distributed to the survey sites, and respondents freely participated in answering the survey questionnaire after they had stayed in the hotel for at least one night. Then, the researchers visited each hotel and collected the completed survey questionnaires. Data were collected by using a four-page self-administered questionnaire primarily designed to gather information on the subjects' general motivations for travel. A total of 3500 questionnaires were given to tourists. Ultimately, 820 usable questionnaires were collected, which leads to the response rate of 23.43 per cent. Their participation in cultural attractions was identified through the question: ''As part of your vacation how likely are you to be interested in visiting friends and relatives''.

The survey data were coded and analyzed using R, an open-source statistical package. Descriptive statistical analysis was applied to the collected data to explore the overall sample profile. In order to identify special characteristics of the sub-population of tourists that had replied positively to the question on how likely they were to be interested in visiting friends and relatives on their vacation, the VFR travellers' group was separated from the rest of respondents and the following sub-groups for subsequent analysis were constructed: Group A or 'VFR travellers' (N = 312): 'Very likely' or 'Likely' to be interested in visiting friends and relatives; and Group B (N = 454): 'Very unlikely' or 'Unlikely' or 'Neither likely nor unlikely' to be interested in visiting friends and relatives. Then, the special characteristics of the two sub-groups were analysed. Chi-square tests were conducted to verify whether differences between the two sub-groups, as regards particular characteristics of the population of tourists, were due to chance variation or revealed some statistically

significant trend. Chi-squared tests were chosen for use in this exploratory investigation to aid in making inference about the uniform distribution (or not) of the two sub-groups in relation to demographic, trip characteristics, and selection of information sources for their journey.

4. RESULTS

4.1 Demographic characteristics

The initial chi-square analyses were conducted to determine differences among the Group A and Group B tourists' gender, age, education, occupation and nationality. Amongst VFR travellers (Group A) the number of female participants was greater than the number of male participants: with females at 60,6% and males at 37.8%. Results in Table 1 reveal a significant chi-square for the variables: *Occupation* as there is a tendency for unemployed/people looking for a job to visit friends and relatives in their vacation. VFR is also less popular for scientific, free professional, technical and related workers, as well as for trade and sales workers; and *Nationality* as it is more likely for Greek than foreign tourists to show preference in visiting friends and relatives in their vacation.

Table 1
Chi-Square Analysis of Demographic Characteristics of Tourists who find interest in visiting friends and relatives in their vacation

	Very likely/likely to be interested (Group A)		*Unlikely/very unlikely or neither likely nor unlikely to be interested opinion (Group B)*		
	n	%	n	%	
	312		454		
Gender					*X-squared = 3.461, df = 1, p-value = 0.06283*
Male	118	37.8	200	44.1	
Female	189	60.6	239	52.6	
Age					
15-25	54	17.3	58	12.8	
25-35	102	32.7	135	29.7	
35-45	59	18.9	119	26.2	*X-squared = 8.225, df = 5, p-value = 0.1443*
45-55	56	17.9	75	16.5	
55-65	23	7.4	40	8.8	
over 65	13	4.2	16	3.5	
Higher level of education					
Primary	10	3.2	16	3.5	
Secondary/high school	85	27.2	105	23.1	*X-squared = 6.8458, df = 4, p-value = 0.1443*
Tertiary	117	37.5	193	42.5	
Postgraduate Studies	59	18.9	102	22.5	
Other	29	9.3	26	5.7	
Occupation					
Scientific, free professional, technical and related worker	71	22.8	141	31.1	
Administrative and managerial worker	45	14.4	62	13.7	
Clerical worker	54	17.3	88	19.4	*X-squared = 36.0325, df = 9, p-value = 3.912e-05*
Trade and sales worker	17	5.4	37	8.1	
Farmer, fisherman and related worker	8	2.6	8	1.8	
Craftsman, worker, operator	24	7.7	16	3.5	
Pensioner	16	5.1	24	5.3	

	n	%	n	%	
Housework	18	5.8	20	4.4	
Unemployed, looking for job	27	8.7	7	1.5	
Student	28	9	48	10.6	
Nationality/origin					
Foreign tourists	37	11.9	80	17.6	*X-squared = 4.3096, df = 1, p-value = 0.0379*
Native (Greek) tourists	275	88.1	374	82.4	

Note 1: 54 respondents have not replied this question
Note 2: Significant differences (p=<0.05) in mean scores printed in bold.

4.2 Trip characteristics

Trip characteristics were analysed according to trip organization (package holiday/self guided holiday), time used to make the trip decision, type of accommodation, travel companion and booking.

Table 2
Chi-Square Analysis of Trip Characteristics of Tourists who find interest in visiting friends and relatives in their vacation

	Very likely/likely to be interested (Group A)		Unlikely/very unlikely or neither likely nor unlikely to be interested opinion (Group B)		
	n	%	n	%	
	312		454		
Trip organization					
Package tour/holiday	20	6.4	22	4.8	*X-squared = 1.7297, df = 2, p-value = 0.4211*
Partial package tour/holiday	40	12.8	49	10.8	
Self-guided tour/holiday	248	79.5	376	82.8	
Final decision for the trip was taken					
Less than 1 month before departure	203	65.1	289	63.7	*X-squared = 5.2688, df = 2, p-value = 0.07176*
1 to 6 months before the departure	74	23.7	130	28.6	
More than 6 months before the departure	33	10.6	30	6.6	
Type of accommodation					
Hotel/club (4*/5*)	85	27.2	124	27.3	
B&B	61	19.6	78	17.2	
Friends & Relatives	35	11.2	16	3.5	**X-squared = 23.5107, df = 6, p-value = 0.0006423**
Hotel/club (2*/3*)	63	20.2	119	26.2	
Holiday Home	27	8.7	37	8.1	
Camping (including tent, trainer, mobile home)	9	2.9	27	5.9	
Combination of the above	22	7.1	33	7.3	
Travel with					
On your own	29	9.3	20	4.4	**X-squared = 10.6707, df = 2, p-value = 0.004818**
With one or more friends	137	43.9	242	53.3	
With your family	138	44.2	186	41	
Book accommodation through					
Travel agent	29	9.3	46	10.1	*X-squared = 7.0214, df = 3, p-value = 0.07122*
By yourself directly from the producer via the telephone	173	55.4	289	63.7	

By yourself directly from the producer via the Internet	39	12.5	50	11
By other person	63	20.2	63	13.9

Note : Significant differences (p=<0.05) in mean scores printed in bold.

The majority of VFR travellers (79.5%) organize their holidays on their own and take the final decision of their trip in a period of less than one month before their departure. They prefer to stay in upgraded hotels: first choice(27.2%) is hotel/club of 4 and 5 star categories. Only 2.9% prefer camping facilities. Bookings are made by phone, directly from the producer (55.4%). The tests on the trip characteristics of tourists in Group A and Group B, as displayed in Table 2, reveal that it is more likely for tourists of Group A compared to tourists of Group B to travel on their own or with their family but less common with friends. It is also evident that tourists of Group A are not only interested to visit friends and relatives in their vacation, but also choose to live by friends and relatives. B&B is also more popular for Group A, while living in 2*/3* hotel and camping is less popular.

4.3. Selection of information sources

The aim of this part of the analysis is to explore the tourists' habits in what regards the preference they show in the selection of information sources for their journey. Comparisons between the two sub-groups (Group A and Group B) have been conducted using the chi-squared test (Table 3) and a significant chi-square has been derived for the sources: Personal experience/knowledge and GPS. Figures in Table 3 reveal that it is more likely for tourists in Group A to use their personal experience and knowledge than tourists in Group B. It is also more common for tourists in Group A to get information on the place that they visit using a GPS.

Information sources are displayed in Table 3 in descending order of preference for tourists in Group A. Thus, tourists interested in visiting friends and relatives in their vacation seek information on the place that they visit from recommendations from friends and family and secondly from the Internet. Third in their preference come Travel guidebooks and travel magazines, while personal experience/knowledge, radio & TV broadcasts, and Information brochures are also high in their choices. The two last in their choice are the hotel listings and Oral information provided by tourist information at destination or from local tourist offices.

Table 3
Chi-Square Analysis of Booking Characteristics of Tourists who find interest in visiting friends and relatives in their vacation

	Very likely/likely to be interested (Group A)		Unlikely/very unlikely or neither likely nor unlikely to be interested opinion (Group B)		
	n	%	n	%	
Total	312		454		
Recommendations from friends and relatives	175	56.1	245	54	*X-squared = 0.2568, df = 1, p-value = 0.6123*
INTERNET	156	50	249	54.8	*X-squared = 1.5536, df = 1, p-value = 0.2126*
Travel guidebooks and travel magazines	114	36.5	151	33.3	*X-squared = 0.7395, df = 1, p-value = 0.3898*
Personal experience / knowledge	82	26.3	90	19.8	***X-squared = 4.0664, df = 1, p-value = 0.04375***
Radio and TV broadcasts (documentary and news)	68	21.8	97	21.4	*X-squared = 0.0028, df = 1, p-value = 0.9581*
Information brochures	58	18.6	66	14.5	*X-squared = 1.9494, df = 1, p-value = 0.1626*

	Very likely/likely to be interested (Group A)		Unlikely/very unlikely or neither likely nor unlikely to be interested opinion (Group B)		
Advertisments and articles in newspapers/magazines	51	16.3	70	15.4	X-squared = 0.0601, df = 1, p-value = 0.8064
Information from using a Global Positioning System (GPS)	24	7.7	15	3.3	**X-squared = 6.4894, df = 1, p-value = 0.01085**
VIDEO/CD-ROM/DVD/VIDEOTEXT	24	7.7	19	4.2	X-squared = 3.6567, df = 1, p-value = 0.05584
Oral information provided by retailer/agency	22	7.1	17	3.7	X-squared = 3.5282, df = 1, p-value = 0.06033
Information from using a P.D.A (Personal Digital assistant)	21	6.7	17	3.7	X-squared = 2.893, df = 1, p-value = 0.08897
Hotel listings	19	6.1	28	6.2	X-squared = 0.0119, df = 1, p-value = 0.913
Oral information provided by tourist information at destination or from local tourist offices	4	1.3	10	2.2	X-squared = 0.4357, df = 1, p-value = 0.5092

Note : Significant differences (p=<0.05) in mean scores printed in bold.

5. CONCLUSION

The preceding analysis has revealed significant differences between VFR travellers and other travellers not interested in this purpose of trip. Consequently, several practical implications for destination managers have emerged, as it is a marketing truism that the promotion of a product should be tailored to the characteristics of a target market. This paper aims to assess the magnitude and significance of VFR travel in a tourism destination. The results of the present study can help managers carry out this task in a more informed and strategic manner. Firstly, the research suggests that occupation and nationality are not independent of the tourists' reported preference/interest in visiting friends and relatives in their vacation; there is a tendency for unemployed/people looking for a job to visit friends and relatives in their vacation. Visiting friends and relatives is also less popular for scientific, free professional, technical and related workers, as well as for trade and sales workers. It is also more likely for Greek than foreign tourists to show preference in visiting friends and relatives in their vacation. The present study also recognises the importance of VFR travel in the contribution of the hosts themselves to the tourism and hospitality industry, as it agrees with other researchers who found that VFR travellers are, in fact, significant purchasers of hotel room nights; they prefer to stay in upgraded hotels: first choice (27.2%) is hotel/club of 4 and 5 star categories.

The research implies that a segmentation based on the information search behaviour is an appropriate way to develop marketing strategies and to target marketing communications. It also supports the position that trip-related (situational) descriptors have a strong influence on travel information search behaviour. VFR travellers in Arcadia are independent visitors as 79.5% organize their holidays on their own. VFR tourists are also not only interested to visit friends and relatives in their vacation, but they choose to live by friends and relatives; they also seek information on the place that they visit from recommendations from friends and family(55.1%) and secondly from the Internet (50%). This increased use of the internet shows its enormous importance, as a single interaction on the Internet can provide product information, a means for payment and product exchange, and distribution, whereas a more traditional interaction frequently separates these functions (Jun et al. 2007). It is noteworthy though, that the use of the internet was quite limited for booking purposes in Arcadia (8%), a fact than needs to be investigated in future studies. Third in their preference come travel guidebooks and travel magazines, while personal experience/knowledge, radio & TV broadcasts, and Information brochures are also high in their choices. The two last in their choice are the hotel listings and Oral

information provided by tourist information at destination or from local tourist offices. Information from a GPS and a P.D.A is still a very low percentage of VFR travellers use (7.7% and 6.7% respectively), but there is no doubt that in the future, mobile technology will increasingly provide opportunities for real-time travel information. Travellers have also begun to use other so called Web 2.0 websites which enable them to share their views and opinions about products and services (Xiang and Gretzel, 2008; Katsoni, 2011). All these developments will influence both information search and provision; future studies should be conducted to understand how to connect VFR travellers' Internet use to mobile use.

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