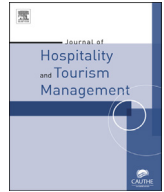




Contents lists available at ScienceDirect

Journal of Hospitality and Tourism Management

journal homepage: <http://www.journals.elsevier.com/journal-of-hospitality-and-tourism-management>



Positioning emerging tourism markets using tourism and economic indicators



Oscar Claveria

AQR-IREA, Department of Econometrics, Statistics and Applied Economics, University of Barcelona, Diagonal 690, 08034, Barcelona, Spain

ARTICLE INFO

Article history:

Received 2 March 2016

Received in revised form

17 June 2016

Accepted 11 July 2016

Keywords:

Tourism destinations

Emerging markets

Positioning

Categorical principal components analysis (CATPCA)

Destination marketing

ABSTRACT

Most tourism research is centred in the world's top tourism destinations. The present study focuses on the interactions between tourism and economic variables in twenty emerging markets. First, we provide a descriptive analysis and we rank the countries according to their percentage average annual growth in relation to a set of economic and tourism indicators during the last decade. By means of categorical principal component analysis we synthesize all the information of the rankings into two components: growth in the contribution of tourism to economic activity, and growth in hotel accommodation. Finally, we project all twenty destinations in a two-dimensional perceptual map. We obtain four clusters of destinations: Mali and Madagascar, with the top positions in terms of growth of the economic contribution of tourism; on the other extreme, Jamaica, Cyprus, Croatia, Portugal and Ireland, which are the more mature markets; Botswana, Bulgaria, and New Zealand, with the top positions regarding the growth in hotel accommodation; and in the opposite situation, the Republic of Moldova, which in spite of a moderate growth in hotel accommodation, has experienced a high increase in the contribution of tourism to economic activity. These results aim to shed light on the relative positioning of emerging destinations with respect to their potential competitors.

© 2016 The Authors.

1. Introduction

Emerging destinations are playing an increasingly important role in the competitive tourism market. According to the UNWTO (2015), arrivals in emerging destinations between 2010 and 2030 are expected to increase at twice the rate of those in advanced economies, reaching a 57% share of the market. Mature destinations in Northern and Western Europe and North America are expected to experience a comparatively slower growth during the next two decades. On the contrary, Africa, the Middle East, and especially Asia and the Pacific are the regions expected to grow faster. As a result, tourism in emerging markets is drawing increasing attention (Cohen, Prayag, & Moital, 2014). Despite the growing interest in emerging markets, most tourism research still focus on the world's top tourist destinations (UNWTO, 2015).

This study aims to shed some light on the evolution of tourism trends during the last decade in twenty emerging markets, understood as those with a low share in total inbound tourism which have experienced positive growth rates in terms of tourism

receipts. Song, Dwyer, Li, and Cao (2012) noted that one of the limitations of most tourism studies is the omission of economic indicators and the lack of attention paid to economic return. To cover this deficit, we combine official tourism data provided by the UNWTO with economic information at the macro level. We use the annual percentage growth rates of all variables to avoid the issues derived from working with non-stationary time series (Lim & McAleer, 2002; Oh, 2005).

To that end, we apply a two-step procedure to position destinations (Claveria & Poluzzi, 2016). This approach is based on nonlinear Principal Component Analysis (PCA), also known as Categorical Principal Component Analysis (CATPCA). CATPCA can be regarded as a dimensionality reduction (DR) technique, and presents several advantages over standard PCA, as it can handle ordinal variables and deal with nonlinear relationships between variables.

In a first step, we rank the twenty destinations according to the average annual growth of the selected indicators between 2000 and 2010. In a second step, we synthesize all the information into two components, which we project on a two-dimensional perceptual map (PM). The generated maps condense the dynamics in the international tourism market during the last decade by positioning each destination with respect to their competitors

E-mail address: oclaveria@ub.edu.

based on the scores in the two computed factors.

There have been very few attempts of implementing CATPCA in tourism research (Claveria & Poluzzi, 2016; Correia, Oom do Valle, & Moço, 2007; Green, 2005). This empirical study extends the coverage of previous research by assessing the utility of this technique in the positioning of emerging tourism markets.

The remainder of the study is structured as follows. The next section provides a review of the literature. In Section 3 we describe the data and rank the selected twenty emerging markets regarding their average growth rate over the sample period. In Section 4, we cluster the destinations by means of CATPCA. Finally, Section 5 concludes.

2. Literature review

Multivariate techniques for DR have been widely used in tourism studies. Some of the most applied DR procedures are PCA, cluster analysis, correspondence analysis (CA), and factor analysis (FA). See Hair, Black, Babin, and Anderson (2009), and Jolliffe (2002) for a detailed description of multivariate methods. DR techniques allow to generate lower-dimensional representations of data that preserve as much information as possible about the original dataset, therefore facilitating the detection of underlying structures in the relationships between variables (Chandra & Menezes, 2001).

DR techniques have been used in image and perception analyses (King, Chen, & Funk, 2015; Li, 2016; Llodrà-Riera, Martínez-Ruiz, Jiménez-Zarco, & Izquierdo-Yusta, 2015; Phau, Shanka, & Dhayan, 2010; Zins, 2010), in motivation studies (Park & Yoon, 2009; Ryan & Glendon, 1998), and in other areas such as the design of tourism indicators (Fetscherin & Stephano, 2016). Pike (2002, 2007) reviewed destination image papers published in the literature from 1973 to 2000, and from 2001 to 2007 respectively. Notwithstanding, one of the main areas in which DR techniques are widely implemented is in market segmentation studies (Arimond & Elfessi, 2001; Dey & Sarma, 2010; Donaire, Camprubí, & Galí, 2014; Guo, Guillet, Kucukusta, & Law, 2015; Keng & Cheng, 1999; Lee, Lee, Bernhard, & Yoon, 2006; Park & Yoon, 2009; Rid, Ezeuduji, & Pröbstl-Haider, 2014; Sinclari-Maragh, Gursoy, & Vieregge, 2015; Upchurch, Ellis, & Seo, 2004; Voges, 2007).

One of the most used DR techniques in the positioning of competitive destinations is Multidimensional Scaling (MDS). MDS is a multivariate analytical procedure also known as Principal Coordinates Analysis (Torgerson, 1952). MDS allows to generate visual projections. These projections, also known as PMs, capture the level of similarity between individuals based on the proximity of individuals to each other. For an overview of MDS, see Borg and Groenen (2005), and Fentom and Pearce (1988). In a recent study, Marcussen (2014) reviewed the literature regarding the application of MDS to tourism research. The author found that the most common topics were image and positioning of destinations.

An example of the former, is the work of Zins (2010), who depicted destination images of ten different countries from the perspective of two traveller segments via MDS analysis. Regarding destination positioning, there is a large number of studies addressing the relative status of one or several destinations by means of MDS (Andreu, Bigné, & Cooper, 2000; Crompton, Fakeye, & Lue, 1992; Gartner, 1989; Haahti, 1986; Kim & Agrusa, 2005; Kim, 1998; Kim, Kim, & Han, 2007; Omerzel, 2006; Uysal, Chen, & Williams, 2000).

More recently, Lozano & Gutiérrez (2011) applied MDS to analyse 25 European destinations. By means of MDS, the authors summarized the information of seven indicators into two dimensions (size of the tourism industry, and efficiency/weather), and found four clusters, of which one consisted of the most populated countries. Focusing on official data from Eurostat regarding monthly overnight stays from 1998 to 2009, Marcussen (2011) combined MDS with FA to position 33 European destinations, and found that European destinations could be grouped by major language spheres. Leung and Baloglu (2013) analysed the competitiveness of sixteen Asia Pacific destinations regarding fourteen different factors. By means of three-dimensional PMs, the authors clustered the destinations in seven groups: Australia and New Zealand; Hong Kong and Singapore; China, India and Indonesia; Japan, Korea and Taiwan; Malaysia and Thailand; Mongolia, Philippines and Vietnam; and Cambodia, which was singled out. With respect to the three dimensions, the authors found that Hong Kong and Singapore were the most competitive destinations in the Asia Pacific region, followed by Japan, Korea, and Taiwan.

Marcussen (2014) applied MDS to illustrate how 24 different country destinations and four German regions tended to be chosen by overnight tourists originating from Germany for journeys of at least five nights in duration. Results significantly differed depending on whether tourists were from the north, the east, the west or the south of Germany. By combining MDS, MCA, and logistic regression, Li, Cheng, Kim, and Li (2015) analysed the position of the United States (US) against its major non-Asian competitors.

In order to deal with nonlinear relationships in data and with qualitative information, the PCA framework has been progressively extended. CATPCA can be regarded as a development of PCA (Meulman, Heiser, & SPSS, 2004). CATPCA presents several advantages over standard PCA: it allows incorporating nominal and ordinal variables, and it does not assume that the relationships between variables are linear. As a result, CATPCA can uncover nonlinear patterns between variables. An additional advantage of CATPCA is that, due to the nonlinear transformations of the nominal and ordinal variables achieved by optimal quantification, it tends to concentrate more variation in the first few principal components (De Leeuw & Meulman, 1986).

CATPCA is also known as nonlinear PCA. Linting, Meulman,

Table 1
Frequency distribution of inbound tourism 2010.

Country	<i>n(i)</i>	<i>f(i)</i>	World position	Country	<i>n(i)</i>	<i>f(i)</i>	World position
Croatia	9,111	1.049%	25	Slovenia	1,869	0.215%	64
South Africa	8,074	0.930%	30	Lithuania	1,507	0.174%	70
Ireland	7,134	0.821%	32	Latvia	1,373	0.158%	73
Portugal	6,756	0.778%	35	Mauritius	935	0.108%	89
Bulgaria	6,047	0.696%	36	Sri Lanka	654	0.075%	103
Jordan	4,207	0.484%	43	Paraguay	465	0.054%	115
New Zealand	2,435	0.280%	54	Belize	242	0.028%	135
Cyprus	2,173	0.250%	59	Madagascar	196	0.023%	143
Botswana	2,145	0.247%	61	Mali	169	0.019%	146
Jamaica	1,922	0.221%	63	Moldova	7.6	0.001%	174

Note: Overnight visitors are measured in thousands. World position out of 177 destinations.

Download English Version:

<https://daneshyari.com/en/article/1011361>

Download Persian Version:

<https://daneshyari.com/article/1011361>

[Daneshyari.com](https://daneshyari.com)