

TOURIST SEGMENTATION IN MEMORABLE TOURISM EXPERIENCE SURVEY

Jasna Horvat
Josipa Mijoč
Tihomil Matković
Sandra Barač Miftarević

Abstract

Purpose – In spite of the fact that management of a tourist destination is aimed at reaching a larger number of markets, each market consists of consumers who have similar but not necessarily homogenous needs (Cobert et al, 2007), and measuring memorable tourism experience becomes the basis for planning future tourist activities. The purpose of this study is to explore the segmentation of tourist visitors of the chosen destinations with regard to their rating of memorable tourism experience.

Design – In order to adequately address visitor needs for memorable tourism experience in a tourist destination, hierarchical segmentation was applied. The survey was conducted in 2017 on 1452 respondents who had visited eight tourist cities in the Republic of Croatia.

Methodology – The study applied a reliable and valid MTE instrument (Chandralal and Velenzuela 2015) from which for the purpose of segmentation from the latent dimension Perceived Significance the variable ME5 was extracted: *'It was a special experience for me'*.

Approach – Hierarchical clustering followed by K-means procedure extracted 3 clusters of visitors. Inferential statistical analysis was used to test (demographic) characteristics of identified segments followed by description of all three segments based on the determined differences.

Findings – Differences between the segments were identified on six demographic variables. Each segment has been described on the basis of variable ME5 and demographic characteristics.

Originality of the research – The research findings refer to geographic, socio-demographic and psychographic determinants of the tourist offer at tourist sites in the Republic of Croatia.

Keywords segmentation, memorable tourism experience, cluster analysis, tourist destination

INTRODUCTION

In spite of the fact that management of a tourist destination is aimed at reaching a larger number of markets, each market consists of consumers who have similar but not necessarily homogenous needs (Cobert et al, 2007). "Global changes have a rapid effect on tourism as an industry as well as on local tourism products. Some of the changes impacting the tourism industry are the growing fear of terrorism, the desire to reach a destination as fast as possible, and the expectations of tourists regarding the authenticity of their chosen destinations, whereby tourists see authenticity as implying the exclusiveness of the destinations." (Mijoč, Marković, Horvat 2017:378). As one of the fastest growing sectors at the moment, tourism is a social and economic phenomenon that combines various elements into a complex phenomenon (Biloš, Turkalj and Kelić 2015:38).

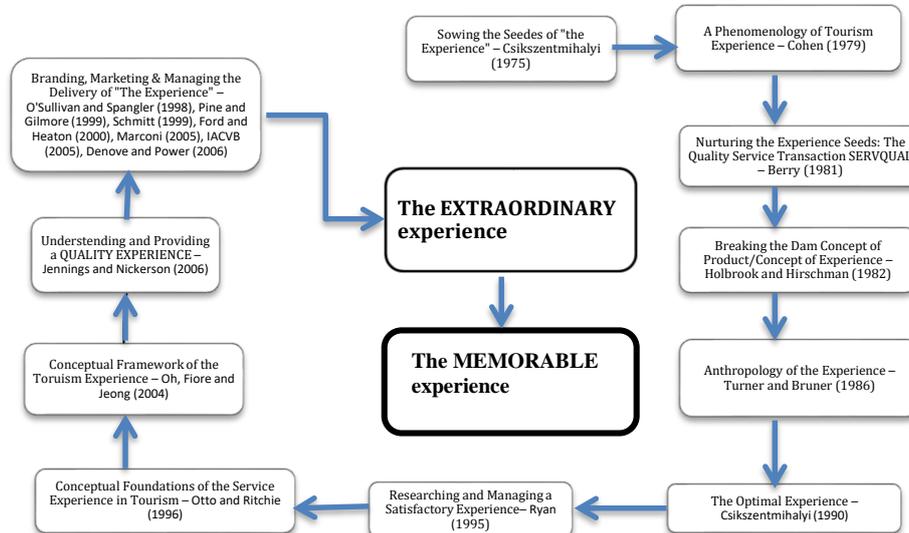
On the other hand, travellers now expect unique, gratifying and diverse experiences on their trips (Azevedo 2010; Lagiewski and Zekan 2006), and measuring memorable tourism experience becomes the basis for planning future tourist activities.

According to theory the tourist experience includes more than one construct and therefore it can be called a complex construct (Neuhofer, Buhalis and Ladkin 2014). The complex construct of "memorable tourism experience" comprises the following constructs: a destination as experience, cognition and emotion (Oh, Fioere and Jeoung 2007). Kim et al (2012) mention numerous research studies on factors as latent dimensions that exist inside the complex construct of "memorable tourism experience" and refer to the following factors as well as the relevant literature for each of the factors: involvement, hedonism, happiness, pleasure, relaxation, stimulation, refreshment, social interaction, spontaneity, meaningfulness, knowledge, challenge, sense of separation, timelessness, adventure, personal relevance, novelty, escaping pressure, intellectual cultivation. According to Chandralal and Valenzuela (2015) the findings about memorable tourism experience are related to positive emotions (pleasure, excitement) reflecting positively on efficiency of tourism offer, visitor loyalty, and in the long-run destination image. The purpose of this study is to explore the segmentation of tourist visitors of the chosen destinations with regard to their rating of memorable tourism experience.

1. THEORETICAL FRAMEWORK

The starting point for this study is the paper Memorable Tourism Experiences: Scale Development (Chandralal and Valenzuela, 2013, 2015) which presents the findings of a research intended to develop a reliable and valid measurement instrument for memorable tourism experiences from the perspectives of more regular and typical leisure-oriented travellers (Chandralal and Valenzuela, 2015:291). Regardless of the fact that interest in the concept of tourist experience was shown already in the 1960s research interest in it started expanding towards the end of the last century. The tourist experience includes everything a tourist goes through at a destination as experience, including behavior and perception, cognition and emotions: either expressed or implied (Oh, Fiore, & Jeoung, 2007). However, tourist experience is a complex construct (Neuhofer, Buhalis, & Ladkin, 2014) and is inherently personal (Urry, 1990). Oh et. al (2007) conclude that tourism studies emphasize the significance of memorable experiences, as memory is the single most important information source for an individual when making a revisit decision and spreading word-of-mouth. Recent study conduct by Sthapit and Coudounaris (2018) showed that from the range of tourism activities offered at the destination, those that offer enjoyment and meaningfulness may add to tourists' memorability of the trip experience and subjective well-being, and is consistent with other studies. Richie and Hudson (2009) summarize the research evaluation and its outline is depicted in Figure 1.

Figure 1: Evolution of the memorable tourism experience (Ritchie & Hudson 2009)



Source: Ritchie and Hudson (2009:121)

As shown in Figure 1, development of scientific conceptualization of the phenomenon “experience” started in the 1990s, and it had its culmination at the beginning of the 21st century. It can be concluded that memorable experience research represents the last phase in the research evolution of the phenomenon being the focus of new research paradigms.

2. METHODOLOGICAL BACKGROUND

As already mentioned the starting point of this paper is the 2013 study by Chandralal and Valenzuela introducing the MTE instrument whose reliability and validity was confirmed following the analysis results. The measurement instrument consists of “34 items across the ten experiential dimensions: authentic local experiences; novel experiences; self-beneficial experiences; significant travel experiences; serendipitous and surprising experiences; local hospitality; social interactions; impressive local guides and tour operators; fulfilment of personal travel interests and affective emotions”. (Chandralal and Valenzuela 2013, 291). Questionnaire construction retained all 34 items and a 7-point Likert scale (1–strongly disagree, 7 – strongly agree). Besides the 34 items of the MTE instrument, the questionnaire contained demographic questions necessary for identifying respondent profiles and describing the segments, which was the main purpose of the paper. The assumption was that the respondent segments would differ according to demographic characteristics, or as Chandralal and Valenzuela (2013, 291) put it - the relative importance of the “experiential dimensions can differ according to the destinations and travellers’ demographic characteristics”.

3. DATA COLLECTION

A total of 1452 tourists who had visited 8 touristic places in Croatia (July and August 2018) filled in the questionnaire. Apart from one continental city, which is at the same time the capital of the Republic of Croatia, the data were collected in tourist places located on the Adriatic coast. The respondents were tourists, and the questionnaire was available in four languages (English, Croatian, German, Italian). The chosen method of data collection was a self-administered paper-and-pencil questionnaire in the presence of an interviewer. The demographic and travel characteristics of respondents are shown in Table 1.

Table 1: Demographic and travel characteristics of respondents (N=1452)

Characteristics		N	%	Characteristics	N	%		
Gender	Female	716	52.3	Places	Lošinj	113	7.8	
	Male	647	47.7		Opatija	448	30.9	
Employment	Employed	705	50.5		Pag	60	4.1	
	Self-employed	231	16.6		Poreč	247	17.0	
	Retired	238	17.1		Rovinj	94	6.5	
	Unemployed	53	3.8		Split	200	13.8	
	Other	168	12.0		Umag	216	14.9	
					Zagreb	74	5.1	
Education	High School	336	24.9		Accommodation	4 or 5 stars Hotel	711	52.1
	College	358	26.5			3 or 2 stars Hotel	76	5.6
	Technological Education	179	13.3			Apartment	174	12.4
	Institute/University	383	28.4			Private	104	7.4
	Post-Graduate	94	7.0			Camping	214	16.5
Marital Status	Married	644	64.4			Other	83	5.9
	Single	366	26.4			Cie	First time	932
	Inrelationship	315	22.7		Returned		435	37.8
	Separated/Weaved/Divorced	62	4.5	Language of questionnaire	English	534	36.8	
Length of stay	< 3 days	207	14.9		Croatian	170	11.7	
	4 – 7 days	655	47.2		German	467	32.2	
	8 – 13 days	349	25.1		Italiano	281	19.4	
	14 days +	178	12.8					

The profile of the respondents included more females than males (52.3% vs. 47.7%). Age variation indicates that the youngest respondent was 15 and the oldest 92 (Mean = 42.33, St. Dev. = 17.471). Regarding nationality, the respondents came from 45 different countries, and the most common nationality was Italian (20.3%), German (20.1%) and British (11.2%). Regarding accommodation, the majority stayed in a hotel (57.8%). Many respondents are first time visitors (68.2%), mostly highly educated (59.4%), and according to their employment status they belong to the group of the employed (67.1%). Regarding the length of stay, the majority belongs to the 4+ days group (85.1%).

4. SEGMENTATION

Segmenting the target group is one of the ways to determine the balance of demand and supply in a specific destination. For the purpose of this paper segmentation using clustering method was used; firstly the criterion variable was selected on the basis of which through hierarchical clustering the number of segments was determined, and then by applying k-means procedure the sample was segmented in 3 groups. Cluster analysis was used to segment the tourists for a better understanding of the memorable tourism experience in Croatia. The intention of cluster analysis was to describe the groups of tourist who had visited Croatia according to their experience in the destination. Tourist clustering was based on their perceived significance of special experience without the influence of demographic characteristics due to fact that demographic variables will be used for the description of the identified group of segments.

From the latent MTE dimension Perceived Significance (F7) and in accordance with the purpose of this paper the criterion variable was selected: ME5, '*It was a special experience for me personally*'. Demographic profiling of each identified group was used to describe the segments and their basic characteristics.

4.1. Criterion variable

The variable ME5, created on the basis of the item: '*It was a special experience for me personally*' was selected as the criterion variable in the clustering process. After having examined the results of the hierarchical cluster analysis k-means procedure has proven to be acceptable to segment respondents into 3 groups whose differentiation on the basis of mean rating and standard deviation of the criterion variable ($F=4559.213$; $p<0.001$) is shown in Table 2.

Table 2: Cluster differentiating regarding the criterion variable ME5 '*It was a special experience for me personally*'

Cluster names	N (%)	Mean	Std. Deviation
Not special (experience)	159 (11.3)	2.377	.7350
Neutral (experience)	508 (36.1)	4.646	.4788
Special (experience)	739 (52.6)	6.388	.4877
Total	1406 (100)	5.305	1.4188

As shown in Table 2 the first cluster (N=159) comprises those respondents who gave the lowest average marks to the criterion variable (Mean = 2.377, St. Dev. = .7350) and who were named the "not special experience" group; the second cluster gave neither high nor low marks to the criterion variable (Mean = 4.646, St. Dev. = .4788) and its members were named the "neutral experience", whereas the last cluster gave high marks to the criterion variable (Mean = 6.388, St. Dev. = 0.4877) and due to the mentioned they are referred to as those who had "special experience" in the tourist place they visited and in which the information was obtained from them.

4.2. Cluster profile

Starting from the assumption that there is statistically significant difference between the respondents with respect to the fact that they had been segmented based on (self)evaluation of the lived experience (ME5), in the continuation of the paper it is necessary to familiarize oneself with the profiles of the created segments which are rooted in the analysis of their demographic characteristics as well as characteristics of their visit to a destination in which they had been surveyed.

Clusters according to demographic characteristics

It has been determined that there is no statistically significant difference between the clusters according to the following demographic variables: gender ($\chi^2 = 1.079$, $df = 2$), employment status ($\chi^2 = 11.890$, $df=8$) and personal income ($\chi^2 = 11.269$, $df = 8$). In other words, there is no difference between the groups of respondents formed in accordance with their assessment of the lived experience in terms of their gender, employment status and personal income. Statistically significant difference exists between the two variables (marital status and education) and it is shown in Table 3.

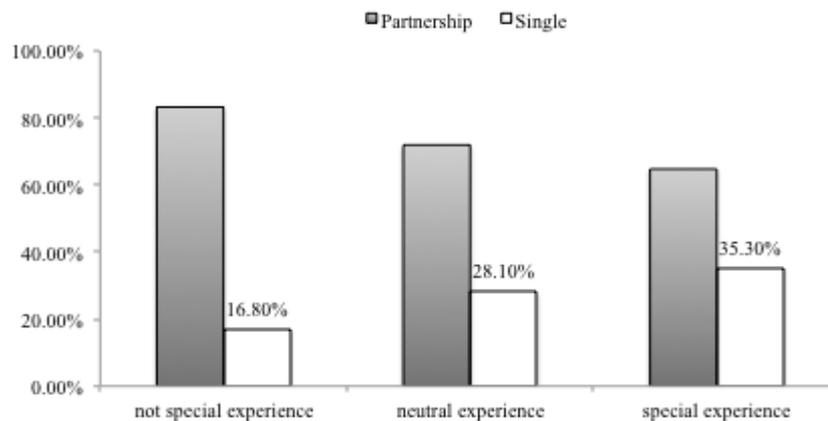
Table 3: Cluster differentiation according to demographic variables

Characteristics		Clusters regarding experience			Total	Test
		1.	2.	3.		
		Not special	Neutral	Special		
Marital status	Married	93 (62.4%)	226 (46.0%)	307 (43.1%)	626 (46.3%)	$\chi^2 = 29.291$; $df=6$ ($p<0.001$)
	Single	20 (13.4%)	122 (24.8%)	215 (30.2%)	357 (26.4%)	
	In relationship/ engaged	31 (20.8%)	127 (25.9%)	154 (21.6%)	312 (23.1%)	
	Separated/ weaved/ divorced	5 (3.4%)	16 (3.3%)	37 (5.2%)	58 (4.3%)	
	Total	149 (100%)	491 (100%)	713 (100%)	1353 (100%)	
Education (highest level completed)	High School	22 (14.9%)	103 (21.8%)	200 (28.7%)	325 (24.7%)	$\chi^2 = 21.845$; $df=8$ ($p=0.005$)
	College	37 (25.0%)	136 (28.8%)	175 (25.1%)	348 (26.4%)	
	Technological education	30 (20.3%)	61 (12.9%)	87 (12.5%)	178 (13.5%)	
	Institute/ University	50 (33.8%)	135 (28.6%)	191 (27.4%)	376 (28.5%)	
	Post-Graduate (MSc, PhD)	9 (6.1%)	37 (7.8%)	45 (6.4%)	91 (6.9%)	
	Total	148 (100%)	472 (100%)	698 (100%)	1318 (100%)	

As shown in Table 3 there is statistically significant difference between the respondents according to their marital status ($\chi^2 = 29.291$; $df=6$, $p<0.001$) and education ($\chi^2 = 21.845$; $df=8$, $p=0.005$). Married respondents are dominant in the entire sample, as well as in every segment, however majority of them comprise the structure of the first cluster (not special experience). The largest proportion of respondents belongs to the third cluster (N=713, 52.7%) and they can be generally be structured into two groups (single and separated/weaved/divorced, N=252, 35.3%) and in partnership (married and in relationship/engaged, N=461, 64.7%).

As shown in Figure 2, single respondents' assessment of the lived experience in a tourist destination is more strongly expressed as a special experience.

Figure 2: **Cluster differentiation in assessment of the lived experience in a tourist destination regarding marital status**



In terms of the determined statistically significant difference between the clusters and regarding education, it is noticeable that respondents with lower level of completed education (high school, N=200, 28.7%) comprise the dominant segment in the structure of the third cluster (special experience).

Spearman's correlation coefficient indicates a negative correlation between the respondents' age and their belonging to a ($r=-0.092$, $p=0.002$); in other words, older respondents are less prone to giving higher grades on a 7-point Likert scale to "experience" and therewith to less frequent participation in the third cluster designated "special experience".

Clusters according to visit assessment

Following the analysis of statistically significant differences between the three clusters according to stay assessment it was determined that according to the length of stay ($\chi^2 = 6.373$, $df = 6$, $p = 0.383$) there is no statistically significant difference between the clusters; however, regarding accommodation and client status difference is statistically significant and is shown in Table 4.

Table 4: Cluster differentiation according to visit characteristics

Characteristics		Clusters regarding experience			Total	Test
		1.	2.	3.		
		Not special	Neutral	Special		
Accommodation	4 or 5 stars Hotel	96 (63.2%)	253 (51.2%)	362 (50.6%)	711 (52.2%)	$\chi^2 = 24.178$; df=10 (p=0.007)
	3 or 2 stars Hotel	6 (3.9%)	29 (5.9%)	41 (5.7%)	76 (5.6%)	
	Apartment	13 (8.6%)	68 (13.8%)	93 (13.0%)	174 (12.8%)	
	Private	7 (4.6%)	32 (6.5%)	65 (9.1%)	104 (7.6%)	
	Camping	28 (18.4%)	86 (17.4%)	100 (14.0%)	214 (15.7%)	
	Other	2 (1.3%)	26 (5.3%)	55 (7.7%)	83 (6.1%)	
	Total	152 (100%)	494 (100%)	716 (100%)	1362 (100%)	
Client status	First time	56 (57.4%)	334 (38.0%)	509 (70.6%)	932 (68.2%)	$\chi^2 = 10.218$; df=2 (p=0.006)
	Returned	66 (42.6%)	157 (32.0%)	212 (29.4%)	435 (37.8%)	
	Total	155 (100%)	491 (100%)	721 (100%)	1367 (100%)	

As shown in Table 4 there is statistically significant difference between the respondents regarding accommodation ($\chi^2 = 24.178$; df=10, p=0.007) and client status ($\chi^2 = 10.218$; df=2, p=0.006). The cluster of respondents who rated their destination experience using the lowest scale scores (not special experience) mostly comprises those respondents who stayed at either four- or five-star hotels (63.2%). Regarding the client status in the third cluster (special experience) the dominant group of respondents are those staying at a destination for the first time (70.6%).

CONCLUSION

Hierarchical clustering followed by K-means procedure extracted 3 clusters of visitors named in accordance with the scale scores of the variable ME5 which is created on the basis of the item: *It was a special experience for me personally*. The criterion variable was selected from the measurement instrument MTE consistent with the purpose of the research and on the basis of which the research of tourists' perceptions (N=1452) was conducted in 8 locations in the Republic of Croatia. The first cluster was comprised of the tourists who described their tourist experience as "not special", the second cluster as "neutral" and the last cluster as "special".

Inferential statistical analysis was used to test (demographic) characteristics of identified segments followed by description of all three segments based on the determined differences. There is no difference between the clusters in terms of gender, employment status and personal income; however, they differ regarding marital status and education. Spearman's correlation coefficient indicates negative correlation between the respondents' age and tendency to give higher scale scores to "experience" on a 7-point Likert scale. In terms of the visit assessment the analysis determined that there is no statistically significant difference between the three clusters regarding the length of stay; however, regarding accommodation and client status difference is statistically significant. The cluster of respondents ranking their experience in a destination at the lowest average level (not special experience) mostly consists of respondents who stayed at four- of five-star hotels (63.2%), whereas respondents staying at a destination for the

first time (70,6%) are dominant in the third cluster (special experience). In this paper, we defined clusters according to their special experience in the destination and the third cluster we named „special experience“ was the biggest. Testing the differences between clusters we identified that tourist managers need two specific strategies, one which is oriented to the tourist who had neutral and not special tourist experience and the second one for tourist who had special tourist experience in the destination.

Based on the analysis conducted for the purpose of this paper it can be concluded that there is a justified need for exploring tourists' lived experience in a specific tourist destination. The application of MTE is a good precondition for deeper analyses of this phenomenon, and conducted segmentation can provide the basis for future research. We recommend that future researchers expand the MTE measurement instrument and besides demographic questions and those about the characteristics of their visit include in it also the questions on arrival motives while choosing a particular destination.

ACKNOWLEDGEMENTS

This paper is the result of the scientific project “*New Approaches to Measuring Visitor Experience in the Tourist Destination*” which is supported by the University of Rijeka (project no. ZP UNIRI 3/17).

REFERENCES

- Bilos, A., Turkalj, D., & Kelic, I. (2015), “Analysis And Possibilities Of Online Promotion Of Tourism Of Eastern Croatia”, *Economy of eastern Croatia yesterday, today, tomorrow*, 4, pp. 37-45.
- Chandralal, L., Rindfleisch, J., & Valenzuela, F. (2015), “An application of travel blog narratives to explore memorable tourism experiences”, *Asia Pacific Journal of Tourism Research*, 20(6), pp. 680-693. doi:10.1080/10941665.2014.925944
- Chandralal, L., & Valenzuela, F. (2013), “Exploring memorable tourism experiences: Antecedents and behavioral outcomes”, *Journal of Economics, Business and Management*, 1(2), pp. 177-181. doi:10.7763/JOEBM.2013.V1.38
- Chandralal, L., & Valenzuela, F. (2015), “Memorable tourism experiences: Scale development”, *Contemporary Management Research*, 11(3), pp. 291-310. doi:10.7903/cmr.13822
- Kim, J-H., Ritchie, J. R. B. & McCormick, B. (2012), “Development of a scale to measure Memorable Tourism Experiences”, *Journal of Travel Research* 51(12), pp. 12-25
- Mijoč, J., Horvat, J., & Marković, S. (2017, January), “The Role of Local Authenticity in Forming Tourists' Intentions”, In *International Scientific Conference (4; 2017)*.
- Neuhofer, B., Buhalis, D., & Ladkin, A. (2014), “A typology of technology-enhanced tourism experiences”, *International Journal of Tourism Research*, 16(4), pp. 340-350.
- Oh, H., Fiore, A., & Jeoung, M. (2007), “Measuring experience economy concepts: Tourism applications”, *Journal of Travel Research*, 46, pp. 119-132. doi:10.1177/0047287507304039
- Ritchie, J. R., & Hudson, S. (2009), “Understanding and meeting the challenges of consumer/tourist experience research”, *International Journal of Tourism Research*, 11(2), pp. 111-126.
- Sthapit, E. (2013), *Tourists' perceptions of memorable experiences: testing the Memorable Tourism Experience scale (MTEs) among tourists to Rovaniemi, Lapland* (Master's thesis, fi= Lapin yliopisto| en= University of Lapland).
- Sthapit, E., & Coudounaris, D. N. (2018), “Memorable tourism experiences: Antecedents and outcomes”, *Scandinavian Journal of Hospitality and Tourism*, 18(1), pp. 72-94, doi:10.1177/0047287510385467
- Urry, J. (1990), *The tourist gaze*. London: Sage.
- Zatori, A., Smith, M. K., & Puczko, L. (2018), “Experience-involvement, memorability and authenticity: The service provider's effect on tourist experience”, *Tourism Management*, 67, pp. 111-126., <https://doi.org/10.1016/j.tourman.2017.12.013>

Jasna Horvat, PhD, Full Professor
J.J. Strossmayer University of Osijek
Faculty of Economics in Osijek
Department of Quantitative Methods and Informatics
Gajev trg 7, 31000 Osijek, Croatia
Phone: +385-95-9068244
E-mail: jasna.horvat@gmail.com

Josipa Mijoč, PhD, Assistant Professor
J.J. Strossmayer University of Osijek
Faculty of Economics in Osijek
Department of Quantitative Methods and Informatics
Gajev trg 7, 31000 Osijek, Republic of Croatia
Phone: +00385-91-2204486
E-mail: josipa.mijoc@gmail.com

Tihomil Matković, Doctoral Student
University of Rijeka
Faculty of Tourism and Hospitality Management
Primorska 42, 51410 Opatija, Croatia
Phone: +385-98-1673926
E-mail: tihomil@opa.hr

Sandra Barač Miftarević, Doctoral Student
University of Rijeka
Faculty of Tourism and Hospitality Management
Primorska 42, 51410 Opatija, Croatia
Phone: +385-99-2664552
E-mail: sbaracmi@gmail.com