The Purchase Involvement of Repeat Visitors to a Destination Resort

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An understanding of the decision making processes repeat visitors use is important to resort managers since the economic health of their property is dependent to a large extent by such patronage. Employing the typology of Newman and Webel (16), this study found that few customers could be characterized as loyal patrons. In other words, the vast majority of repeat visitors in this data set were not beyond the influence of marketers. The relative abilities of respondent's age, education, planning time and distance traveled are examined in an effort to account for the degree of complexity repeat visitors used in vacation decision making. Implications for marketers are discussed.

THE PURCHASE INVOLVEMENT OF REPEAT VISITORS TO A DESTINATION RESORT

INTRODUCTION

What are the characteristics of the decision making processes of repeat vacationers? How involved are repeat visitors in their purchase decisions? What factors explain the level of complexity used in vacation decision making? These are the research questions used in this exploratory study of repeat visitors to a destination resort. The study draws from the consumer behavior literature related to the habitual purchase behaviors of consumers of durable and non-durable products. Such an approach provides the theoretical framework presently lacking in the travel and tourism literature in explaining the decision making processes of repeat visitors.

The repeat purchasing behaviors of resort pleasure travelers is a relatively narrow but important topic in the tourism industry since the continuing consumption of vacation experiences depends to a large extent on repeat patronage. Even though the repeat visitor may be returning to a different specific destination within a vacation area's boundaries,
they nevertheless contribute much to the economic health of the area.(8)

This study of the decision making processes of repeat visitors describes how and perhaps why repeat visitors behave as they do. More specifically, it describes the behavioral processes repeat visitors use in their vacation purchase decisions. By describing these processes and linking them to the basic principles of the consumer behavior literature, a more disciplined understanding of the repeat vacation phenomena is made possible.

IN Volvement In PURCHASE DECISION MAKING

The decision making consumers engage in deciding where to spend their vacations is not uniform process. Deciding where to spend the family's annual vacation is a different process from deciding where to spend a weekend "Get-away." According to Hawkins, Best and Coney (9), distinctions can be made as to the degree the consumer is concerned for or interested in the purchase process. Purchase involvement is a behavioral concept used to describe a temporary state of an individual, family or household triggered by a need for a particular purchase. It is useful to consider purchase involvement as a continuum. On one end of the continuum is habit, the other extended (complex) decision making. Limited decision making incorporates the middle ground. All three describe the processes that occur along various points on the continuum.

Habitual, limited and complex decision making processes are composed of two behavioral constructs.(1, 9, 16) First, they involve the presence or lack of consumer evaluations of vacation alternatives in their prepurchase decisions. These alternatives are comprised of the limited set of destinations the pleasure traveler has reached positive conclusions on and is most likely to draw upon in reaching a purchase decision.(25) In evaluating which vacation to purchase from this limited range of alternatives, consumers base their judgments on certain decision criteria. Two of the most important criteria for pleasure travelers are quality and price. At the same time, consumers may engage in active information search Consumers may not have enough good information in their memory to make an adequate vacation purchase decision. In such cases, they will seek to acquire additional information to evaluate the possible alternatives. Sources of information available to the consumer appear in the literature as (1) personal (friends, family), (2) neutral (travel guides, travel agents, travel associations), (3) media (brochures, advertisements in the electronic and print media) and (4) retailer sources (store visits and contacts). Active search behavior is most likely when the consumer:

1. feels that the (vacation) alternatives are inadequate;
2. has insufficient information about the alternatives under consideration;
3. receives information from friends or media sources that conflicts with past experiences or
current information;

4. and/or is close to deciding on a particular vacation and would like to confirm expectations regarding its attributes (1, 1987, p. 57).

On one extreme of the purchase involvement continuum is habit. Habitual decision making involves no decision per se. According to Markin (12), habit refers to the elimination of all cognitive activities connected with making a decision. Prior satisfaction with a vacation destination may lead to repeat purchases and eventually purchases based on habit. The consumer may find little need to evaluate vacation alternatives and search for additional information beyond what has been previously processed. Recognizing a need or desire to vacation leads directly to the prepurchase of a vacation experience. Purchasing through habit is a way of insuring satisfaction based on past experience and of simplifying decision making by reducing the need for information search and evaluating alternatives.

Habitual decisions can be broken down into two distinct categories: destination loyal decisions and repeat purchase decisions. (9) At one time a consumer may have been extensively involved in selecting a vacation destination and in response used an extensive decision making process. Having selected the resort previously and subsequently being satisfied with that purchase decision, the consumer will repurchase that same experience without further consideration of other options. This person is a loyal patron because of his/her high commitment to the one destination. In contrast, one may believe that all resort properties along a vacation corridor are about the same. Having spent a vacation at one of them and finding it satisfactory, this traveler will repurchase the same experience using habitual decision making. This visitor is a repeat customer who has no loyal commitment to the resort in question.

Although habitual decisions to purchase the same vacation appear identical across the repeat visitors using habitual decision making, differences do exist in terms of their loyalty to the vacation destination. Repeat purchasers can be induced to change their purchase habits because they possess little commitment to the destination. On the other hand, destination loyal visitors are highly committed to their preferred destination and will not change easily.

On the opposite end of the continuum from habit is complex decision making. In complex decision making consumers are highly involved in the purchase process and evaluate the alternatives in a detailed and comprehensive manner. More information is sought and more alternatives are considered than in limited decision making.

Assael (1) theorized that complex decision making is more likely for (1) high priced products, (2) products associated with performance risks, (3) specialty purchases, and (4) products associated with ones ego. A search of the travel and tourism literature reveals an assumption that vacation purchase decisions involve complex decision making. According to Schul and Crompton (21) and Gitelson and Crompton (8), vacation consumers are generally expected to actively search for information and evaluate several alternatives during their vacation deliberations. Since
a vacation is assumed to be a relatively expensive product involving significant amounts of a person's discretionary time (13) and income (8), requires purchases to be made on symbolic communications alone (8), and is viewed by most people as an extension of their personality (14), complex decision making should be the rule not the exception. This study will determine if such a theorized relationship holds true in a data set composed of resort pleasure travelers.

LITERATURE REVIEW AND HYPOTHESES

The authors are unaware of any studies that have attempted to explain the complexity of the decision making consumers employ in their purchase behaviors. However, a well established area of the consumer behavior literature known as prepurchase search behavior is directly concerned with why consumers seek out and use information to base a purchase decision on more than others. Since the acquisition of prepurchase information is one of the two components of this study's dependent variable (i.e., purchase involvement), it will be used to provide the theoretical and empirical framework presently lacking in the travel and tourism literature in explaining pleasure travelers' decision making processes.

Newman and Staelin (16) regarded the prepurchase deliberation process as a learning experience. Their view suggests that information search varies directly with education because the latter represents ability and interest in seeking and evaluating information. Their findings supported a significant relationship between education and information search, but not in a linear way. Subjects who had less than a high school education sought significantly less information than subjects who had completed twelve grades of education, twelve grades plus vocational training, or a college degree. Subjects with advanced degrees (masters, doctorates, professional degrees) reported on average the same amount of information search as those with less than a high school education. Schaninger and Sciglimpaglia (20) noted these findings, but in their study of housewives use of in-store information display boards, education was found to be related to depth of information search in both a positive and linear fashion. Udell (23) reached a similar conclusion in his study of 705 Christmas shoppers. Subjects with higher levels of education tended to shop in more stores (retail search) when compared to subjects with lower levels of education. Although conflicting reports in the literature exist in households with graduate degrees, the bulk of the empirical findings in the consumer behavior literature suggests information search increases with education.

We propose the following hypothesis:

Hol: Education will be positively associated with the complexity of decision making process employed.

Westbrook and Fornell's (24) study found with increased age came a reduced value placed on information sources during ones purchase deliberations. The significant and negative relationship displayed suggests that with age comes increased opportunities for learning from
previous ownership. In a review of the literature of age differences and information processing, Phillips and Sternthal (19) concluded that older consumers are more capable of distinguishing between relevant and irrelevant information because of their familiarity with products than their younger more inexperienced counterparts. By their likelihood of having stored more product information for familiar brands of commodities, older consumers are more likely to use a more restricted set of alternatives in their purchase decisions.

We propose the following hypothesis:

Ho2: Age will be negatively associated with the complexity of decision making process employed.

Time availability and its converse, time pressure, have been related to the degree of information search behavior in the consumer behavior literature. Beatty and Smith's (2) found that neutral sources of search were influenced by time availability. This result suggested to these authors that neutral sources search was perceived as time consuming to people and that under time pressure, people may avoid this type of search. According to Bettman (3), time pressure exerts an influence on the degree of control a consumer can have in processing information. The result of such pressure affects search behavior. As time pressure increases, information search behavior decreases. Moore and Lehmann (15) found a significant relationship in their purchase experiment using 120 graduate business students over the course of a six week period. Subjects who were rushed for time were found to acquire significantly less total information before purchases than subjects not rushed. Several researchers have shown that the greater that perceived urgency to purchase a product (e.g. because the currently owned product is broken), the less the information search. (4, 6) In addition, Donohew and Tipton (6) pointed out that in many situations information seeking is ended by running out of time, rather than a decision on the part of the consumer as to whether the information obtained is sufficient.

We propose the following hypothesis:

Ho3: Planning time will be positively associated with the complexity of decision making process employed.

The number of days a person spends at a destination resort is a factor uniquely derived from the travel tourism literature. The factor would have little meaning in situations where the product is a durable or non durable good. However, if one would assume that the purchase of a vacation involves a process of relatively complex decision making (involving perceived risk and choice between alternatives), Assael's (1) model of consumer decision making can be the basis for an hypothesis that length of stay is positively related to the total amount of information acquired.

There are varying degrees of complexity related to purchase decisions. In regards to vacation purchase decision, as the length of stay increases so too the financial and social risks. It can reasonably be assumed that with increases in the duration of a vacation comes an increase in the use of a consumer's discretionary income. Expenditures

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on lodging, food and entertainment increase as the duration of the vacation experience increases. Thus, the longer the vacation experience the higher financial commitments. Social risks assume that individuals are concerned about what others think. Since a vacation is a relatively visible item among one's reference group, a concern is manifested in the risk that a purchase may not meet the standards of that reference group. With greater length of the vacation experience comes greater visibility to a person's reference group (through absence), thus a greater degree of social risk is manifested.

We propose the following hypothesis:

Ho4: Length of stay at the vacation area will be positively associated with the complexity of decision making process employed.

Like length of stay, distance traveled from the home to the vacation environment is a factor unique to the travel and tourism field. It too may add to the complexity of a purchase decision. For example, when pleasure travelers leave their home environment for a vacation destination that is a relatively short distance away, the trip can be planned more casually. If lodging is too costly or unavailable, the traveler may simply return home often within the same day. With greater distances comes greater complexity in the prepurchase deliberation process. Greater distances are associated with higher expenditures of discretionary time and income. Unlike the casually planned vacation, the vacation which is far removed from the traveler's home environment cannot so easily be abandoned. Travel fatigue and hunger may necessitate significant expenditures regardless of the acceptability of product alternatives. Thus the greater the distance a consumer must travel from their home to a vacation destination, the greater the perceived financial and social risks inherent in such a purchase decision. According to Assael (1), with greater awareness of risks comes greater need to obtain information to assess or evaluate product alternatives.

We propose the following hypothesis:

Ho5: Total distance traveled from the home to the vacation destination environment will be positively associated with the complexity of decision making process employed.

METHOD

The subjects used for this study were limited to a sample of customers at one vacation destination resort along a scenic coastal corridor in the Pacific Northwest the weeks of July 22-August 1, 1988. All 515 travel parties appearing at the front desk of the cooperating resort were told the nature of the study and asked to participate. Initially all agreed to fill out the questionnaire during their stay. From this pool of potential respondents 189 completed the questionnaire, yielding a response rate of 37 percent. Although the response rate was not high, it was considered to be within expected levels for similar types of consumer surveys. (10)
Additional follow-ups were impossible due to the restrictions placed upon the researcher by the cooperating resort. However, steps were taken to try to assess the impact of the non response bias. Following suggestions by Ferber (7), comparisons of the demographic and trip characteristics of the sample and estimates of the true population were made. Table 1 provides summary comparisons age, education and percentages of trips that were repeat visits as three common variables in the sample and in the summer visitors to the geographic area.

These variables were selected because they were available in the study's survey data and a more extensive survey (n=3,109) conducted for the state's tourism division during the same summer vacation season. The sample exhibits both demographic and trip characteristics which were consistent with the larger study's sample. Chi-square goodness of fit showed no significant differences between the two samples in terms of the percentage of pleasure travelers who were repeat visitors. Mean comparisons (t-test) showed no significant differences between the samples in terms of their average education. However, a t-test comparison revealed that this study's sample was on average slightly younger than the larger study's sample. This minor discrepancy may be attributable to the fact that the sample frame involved pleasure travelers to the destination area who stayed at a resort accommodation while the larger study profiled pleasure travelers who also found accommodations in camp grounds. The author of the more extensive study (5) ascribes that older pleasure travelers along this vacation corridor travel by recreational vehicles (e.g., camping trailers, camping buses) more often than their younger counterparts. Thus their preference for and reliance on camp grounds under represented them in this study's sample frame.

CLASSIFYING CONSUMER DECISION MAKING

In Newman and Werbel (16) classification scheme, habitual decision making is partitioned into three sections along an eight point continuum. Condition one requires the consideration of only the one favored (vacation) alternative and no information seeking. Condition two requires the consideration of only the favored alternative and some information seeking. Condition three requires the consideration of other alternatives but no information seeking. Thus, it would be possible to consider only the one vacation destination but to examine information from other destinations as well (condition two) or to consider another destination but not to seek any additional information (condition three). Condition one reflects habit while conditions two and three reflects limited decision making that approaches habit. Limited decision making approaching complex purchase behavior involves more than one alternative considered along with varying degrees of alternative related information seeking (conditions four and seven). Condition five and six reflects a repeat purchase of a non favored alternative because the favored brand was unavailable. Condition eight reflects complex decision making since the vacation purchase decision involves a first time visit to the destination.

Newman and Werbel (16) used their classification scheme to analyze
the nature of purchase decisions involving major household appliances. Like that of a vacation purchase decision, one would assume that the incidents of habit would be very low since major appliances are infrequently purchased and are associated with high financial and performance risks. They discovered that 19 percent of the purchases could be characterized as habit (condition one), another 31 percent approaching habit (conditions two and three), 19 percent limited (conditions four and seven) and 31 percent complex in their decision making. Therefore, approximately one-half of the purchases of major appliances are routinized despite the potential risks.

RESULTS

DESCRIPTIVE FINDINGS

Eighteen percent of the subjects could be characterized as habitual in terms of their vacation decision making behavior, 22 near habit, 23 percent limited and 37 percent complex in their vacation decision making (See Table 2). Based upon an open ended question asking respondents to describe how they made their purchase decision, eight of the respondents characterized as making a habitual purchase decision (condition one) should probably be viewed as loyal, another nine as repeat purchasers and the remaining 16 as inconclusive.

HYPOTHESES TESTING

A related purpose of this study was to identify the relationship between the complexity of decision making used and selected trip and demographic characteristics. The results of the five (5) Pearson Product Moment correlation analyses revealed two (2) statistically significant relationships between respondents' education and distance traveled in the directions predicted (See Table 3). Further analysis using multiple regression procedure produced a combined explanatory power of .124 (D.F. 188, R=.352, p < .004).

DISCUSSION

A slight majority of these vacation consumers did engage in limited to complex forms of decision making. However, forty percent did routinize their decision making to the point of approaching and in a few cases reaching true habit. The bi-modal nature of this data set appears to support the assumption by Schul and Crompton (21) that vacation consumers can be categorized as either active or passive in terms of their prepurchase deliberations.

The involvement these repeat visitors exhibited in their vacation decision making was significantly associated with two (2) of the five (5) demographic and trip characteristics obtained in the questionnaire. The
element of risk (e.g., distance traveled) in combination with the ability and interest in comprehending risk (e.g., education) partially explained the level of complexity used in these subjects' vacation decision making. Though the explanatory power of these relationships are small, perhaps negligible (r-square .09, .04), they, nonetheless, give some indication of the direction or trends in vacation decision making.

**IMPLICATIONS**

Sixty-three percent of all the travel parties who completed the questionnaire were repeat visitors to the destination area. If commitment to the destination area were measured entirely by repurchase behavior, 63 percent were loyal and 37 percent non loyal. When both the presence of external search behavior and evaluation of non purchased alternatives were considered, the percentage of customers who probably should be regarded as at least moderately loyal to the vacation destination area dropped to eighteen percent. Thus, the repeat visitor phenomena described by Gitelson and Crompton (8) may not be as stable an occurrence as one might think.

Forty percent of the subjects captured in this sample frame could be characterized as approaching habit in their vacation decision making. Approached in another way, approximately sixty percent of the repeat visitors exhibited characteristics of habitual decision behaviors. However, the majority of such routinized planning decision making cannot be characterized as loyalty since they exhibited only modest signs of commitment to their purchase decisions. Perhaps the search for novelty expressed by Sneppenger (22) influences pleasure travelers to expend effort in the vacation deliberations. Many repeat customers do routinize their decision making processes but seldom to the point of loyalty. According to Assael (1), consumers of this nature are not resistant to persuasion and can be induced to change their decision making behaviors through marketing efforts.

"The purpose of a business is to create and keep a customer". (11, p. 5) Customers are developed and maintained through marketing strategies and the quality of marketing strategies depends on knowing, serving and influencing customers to achieve organizational objectives. (18) The purchase involvement continuum provides a means of identifying differences among repeat customers. By understanding the position of ones product (or conversely a competitors product) on the purchase involvement continuum, a resort can adjust its marketing plan accordingly.

Two recent marketing strategies in the automotive wars exemplifies the contributions an understanding of customer decision making processes can make to sales and profits. Volvo has for some time identified its market as the up-scale car owner who considers safety one of the more important criteria in evaluating which brand of car to purchase. The company's advertisements continually reinforce the ability of its cars to protect occupants during extreme collisions. Subaru's recent attempt to penetrate this market rests on promoting the ability of its cars' braking systems to avoid rather than simply survive accidents. This effort at
advancing the benefit of avoiding, over surviving, collisions is a direct attempt to get near loyal purchasers of Volvos to switch to more complex forms of decision making.

Conversely, efforts to retain repeat purchasers by reinforcing consumer satisfaction and simplifying the decision process should learn from Coke's mistake. Coke's former slogan, "It's the real thing," implied that decision making was not necessary once you have chosen Coke. The subsequent introduction of New Coke prompted many habitual Coke users to reassess their choice thereby reverting from habitual to decision making. (1)
REFERENCES


14. R. C. Mills, and A. M. Morrison, The Tourism System,


Table 1

Trip Characteristic and Demographic Profile Comparisons: Comparisons of Cohorts in Visitors to a Destination Area

<table>
<thead>
<tr>
<th>Study's Sample</th>
<th>Population estimate</th>
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<td>n=188</td>
<td>n=3,109</td>
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<table>
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<tr>
<th></th>
<th>Percentage of repeat visitors</th>
<th>Education</th>
<th>Age</th>
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<tr>
<td></td>
<td>62.4</td>
<td>16.2</td>
<td>41.9</td>
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<tr>
<td></td>
<td>62.9</td>
<td>16</td>
<td>49.6</td>
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<td></td>
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<td>(D.F.1, p ≤ .92)</td>
<td>p ≤ .29</td>
<td>p ≤ .0001</td>
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Purchase Involvement of Resort Pleasure Travelers\(^1\)

- **Was it a vacation repurchase?**
  - **No**\(^*\) Condition 8
    - **Yes** Condition 1
  - **Yes** Condition 9

- **How many alternatives were seriously considered at the outset of decision process?**
  - **Three or more**\(^**\) Condition 7
  - **Two** Condition 8
  - **One** Condition 9

- **Was favored brand among those thought of?**
  - **No**\(^**\) Condition 6
  - **Yes** Condition 7

- **Was favored brand the one thought of?**
  - **No**\(^**\) Condition 5
  - **Yes** Condition 6

- **Any information-seeking related to the alternatives?**
  - **Yes**\(^**\) Condition 4
  - **No**\(^***\) Condition 3

- **Any information-seeking related to the alternative?**
  - **Yes**\(^***\) Condition 2
  - **No**\(^****\) Condition 1

\(^*\) Complex decision making  
\(^**\) Limited decision making  
\(^***\) Decision making approaching habit  
\(^****\) Habit

\(^1\) Adapted from Newman and Werbel (1973)
Table 3
Level of Complexity in Vacation Decision Making
by Selected Trip and Demographic Characteristics
n=189

<table>
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<th>Variable</th>
<th>r</th>
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<th>Probability</th>
<th>Conclusion</th>
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<td>Education</td>
<td>.20</td>
<td>.04</td>
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