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Stuart Cottrell  
*Christopher Newport University*

Kelly Bricker  
*Pennsylvania State University*

Deborah Kerstetter  
*Pennsylvania State University*

Peter Verhoven  
*Christopher Newport University*

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**A QUALITATIVE ANALYSIS OF THE DECISION MAKING PROCESS  
FOR SELECTING TRAVEL AS A "VALUE-ADDED" INCENTIVE**

**BY**

**DR. STUART COTTRELL, ASSISTANT PROFESSOR**

**DEPARTMENT OF LEISURE STUDIES  
CHRISTOPHER NEWPORT UNIVERSITY  
NEWPORT NEWS, VIRGINIA 23606**

**KELLY BRICKER, DOCTORAL CANDIDATE**

**THE PENNSYLVANIA STATE UNIVERSITY  
P.O. BOX 443  
ANGELS CAMP, CALIFORNIA 95222**

**DR. DEBORAH KERSTETTER, ASSISTANT PROFESSOR**

**LEISURE STUDIES PROGRAM  
SCHOOL OF HOTEL, RESTAURANT AND RECREATION MANAGEMENT  
201 MATEER BUILDING  
THE PENNSYLVANIA STATE UNIVERSITY  
UNIVERSITY PARK, PENNSYLVANIA 16802**

**AND**

**DR. PETER VERHOVEN, PROFESSOR AND CHAIR**

**DEPARTMENT OF LEISURE STUDIES  
CHRISTOPHER NEWPORT UNIVERSITY  
NEWPORT NEWS, VIRGINIA 23606**

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**ABSTRACT**

The purpose of this study, using a qualitative method, was to explore and identify key factors in the decision-making process that led business owners/managers to select an advertising program which included travel as a "value-added" marketing incentive. During September-November 1996, a California based adventure travel company organized two incentive travel experiences to Fiji and Kenya for radio stations in San Francisco, CA and Detroit, MI. Results indicate that a program to a unique exotic destination is a factor worth considering. Other key factors derived included safety traveling within a

group, reputation of the radio station, expectation for the type of trip offered, feelings that excellent accommodations were available throughout the trip, and the importance of worry free travel. A number of important themes emerged and are important considerations for future research in the incentive travel area.

**INTRODUCTION**

Consumer behavior is defined as the study of the processes involved when groups or individuals select, purchase, use, or dispose of products, services, ideas, or experiences to

satisfy needs and desires (13). Generally, consumer behavior attempts to explain the decision-making processes of consumers facing several alternatives or choices. While in the past decade, research in consumer behavior has reached increasing prominence in the leisure literature (3); relatively few tourist-based consumer behavior studies have been conducted. None of these have focused on the area of incentive travel, a growing component of the travel industry; a unique one in the sense that unlike most travel-related decisions, participants in incentive travel programs are spared the need to process information, destination attributes, cost, and travel time as these decisions have been predetermined for them.

## REVIEW OF LITERATURE

Four topical areas associated with consumer behavior in recreation and tourist contexts that have been researched include those related to: ego involvement; loyalty and commitment; novelty seeking; and family decision-making (3). While elements of all four areas of consumer behavior are likely to have come into play in this exploratory study, the one that was the central focus of this study was the decision-making process. The process becomes even more interesting when variables such as destination attributes, cost, and travel time decisions are pre-determined for the traveler as is the case with most incentive travel programs. Ego involvement represents the largest body of research. It can be defined as an unobservable state of motivation, arousal, or interest evoked by a particular stimulus or situation, and that has drive properties. Its consequences are types of searching, information processing and decision making (11). Loyalty represents another construct central to the study of tourist behavior. Research in this area has basically

sought to understand and use those factors that determine customer loyalty (i.e., repeat visitation to a vacation destination). Novelty seeking, referring to discontinuation of routine, is often reported as a key motive in tourist motivation studies. Theoretically, novelty may lead "to higher levels of arousal, and tourists may seek experiences that provide new sources of stimulation" (3). Lastly, is the topic of family decision making. Jenkins (6) studied the roles and influence of family members on vacation decision making. Gitelson and Kerstetter (5) studied the influence of family members in travel decision making. They found that visiting friends and/or relatives was the most important factor in the respondents' decision to visit the region; thus, indicating the importance of social contacts in travel decision making.

As it pertains to travel as a consumer product, the process of choosing a travel destination is complex due to several factors, for example: 1) individuals work from a varied experience base; 2) differ in their perceptions of the people and places; 3) are motivated by different things; and 4) seek to gather information through different channels and resources. As a result, several factors have been studied to explain destination choice behavior. A review of the literature indicates that these factors can be placed on a continuum ranging from tangible (destination attributes, cost, travel time) to the intangible (needs, benefits, motivations, or personal values, and social factors) (7). Madrigal and Kahle (8) found evidence that supports the premise that personal values are related to attitude and ultimately, to an individual's behavior. Rokeach (10) argued that people place values into a hierarchy. In essence, they prioritize them. When faced with conflicting values, the decision to participate or act a certain way reflects how individuals prioritized their belief system or values.

Madrigal & Kahle (8) studied individuals traveling to Scandinavia and found that knowledge of tourists' values was a better predictor of activity preference than their overall demographic information.

Woodside and Lysonski (14) examined a model of destination awareness and choice. This model suggests that as tourists (consumers) we categorize destinations based on our perceptions or feelings about places. Their model depicts travelers' destination choice and how individuals consider various marketing schemes (pricing, advertising, and product), the influence of personal traveler variables (previous experience, life cycle, income, age, values, etc.) and their affect on overall awareness of places. Once the aforementioned are considered, the model suggests that individuals will then categorize destinations based on their awareness of particular destinations. Additionally, the model considers affective associations or feelings about the destination, positive, negative, or neutral. This suggests that while individuals may be completely aware of a destination, they may not consider it due to the negative feelings they have about the destination. The model suggests that potential travelers will rank proposed destinations based on their alternatives in the destination awareness 'set' and the affective associations or feelings they have towards particular places.

Other than the study by Bricker, Cottrell, and Verhoven (1) who examined the relationship between benefits sought and travel behavior and the trip satisfaction study by Cottrell and Bricker (2), the researchers were not successful in uncovering any research specifically related to the decision making process as it would apply to the specialized area of incentive travel. Perhaps this is because of the uniqueness of the types of travel programs examined in this area.

Unlike most travel-related decisions, participants in incentive travel programs are spared the need to process information on destination attributes, cost, and travel time as these decisions have been predetermined for them.

## PURPOSE OF THE STUDY

The purpose of this study was to explore and identify key factors in the decision-making process that led business owners/managers to select an advertising program which included travel as a "value-added" marketing incentive. More specifically, this study attempted to determine what, if any weight the travel destination itself played in the decision to participate in the incentive travel program. Finally, this exploratory investigation sought to determine what the direct benefits of the incentive travel program were perceived by key decision-makers to be.

## BACKGROUND

Incentive travel has become a significant portion of the overall travel industry. According to Shiner and Backman (12), incentive travel sales totaled over \$17 billion during 1994, with predictions of tripling that amount in the next ten years. Travel is one of the most exciting incentive awards of all and, according to a 1993 study by Clemson University supported by the Society of Incentive Travel Executives Foundation, travel rewards are the most attractive reward option offered by business today, topping cash and merchandise rewards.

For this study, incentive travel was characterized by several distinct attributes: 1) individuals were awarded the travel experience based on a specified expenditure on radio advertising, 2) individuals did not have a

choice as to the destination awarded nor the specific elements of the itinerary, 3) the incentive travel program was identified as a "soft-adventure program" which combined a trip to an exotic destination, deluxe accommodations, and a number of adventure-type activities (game-drives, scuba diving, sailing, etc.).

Participants were fully aware they would be awarded a trip to a clearly identified destination. Incentive travel participants included the following: 1) key decision-makers or owners from various businesses which qualified for the trip based on radio advertising purchases made during a specified sales period, and, 2) sales staff and general managers from the radio stations sponsoring the incentive travel program. By creating a unique travel experience, the radio station hosting the incentive program hoped to solidify relations between their sales staff and their clients-in essence, to create client loyalty.

The focus of this study was on the individuals (key company decision makers) who elected to choose the incentive of travel as a "value added" benefit for increasing the amount of advertising purchases they made for commercial ads aired on radio. In some instances these decision makers elected to become part of the travel party while in other instances they chose to select other individuals within their company to receive this award.

The incentive company providing the travel arrangements and information to the clients has been operating these types of programs for ten years. Their clients, the corporations sponsoring the travel programs have always maintained that by offering a quality advertising product, then, adding a "value-added" package like a travel incentive, they could

capture a significant portion of the advertising dollars and build quality relationships with key decision-makers in charge of those dollars.

## **METHODOLOGY AND RESEARCH DESIGN**

During October of 1996, a California-based adventure-travel company organized an incentive travel experience to Fiji for a San Francisco-based radio station. As a soft adventure experience, 32 participants spent three nights in deluxe accommodations on Viti Levu (Fiji's Big Island) Fiji and three nights on Castaway Island, a private island featuring diving, snorkeling, rest and relaxation. One month later, during November 1996, the same adventure travel company organized an incentive travel experience to Kenya for a Detroit based radio station for nearly 70 participants. This trip featured four days viewing spectacular African wildlife. During their time amongst elephants, lions, and zebra, participants also had various opportunities that included visiting remote native villages, hiking, or camel riding. The game drives were offered three times a day: early morning, mid-day, and at dusk. The trip ended with two days at Mount Kenya Safari Club where participants had the opportunity to hike, golf, horseback ride, swim, and shop.

Within each travel program, key informant semi-structured interviews were conducted with a wide variety of individuals who were key decision-makers for their organization, business, or corporation. An instrument was developed to maintain consistency of both the interviews and the information gathered for each travel program. Selection of key informants was based on type of business, gender, role within the business, and will-

ingness to participate in a 30-minute to one-hour interview. Four individuals participated from the Kenya program and five participated from the Fiji incentive for a total of nine participants. Table 1 summarizes respondents gender and type of business.

The instrument included questions designed to follow the first four stages of the final consumer's decision process: stimulus, problem awareness, information search, and evaluation of alternatives (4) preceded by a respondent travel history section. Because follow-up was not feasible the final two stages in the process model (purchase and post-purchase behavior) were not included in this study. Interview questions used are shown in Table 2. Raw data included field notes, tape records, and participant observation by the investigators. All field notes and tape recordings were transcribed verbatim using word processing. Answers were organized in a standard format to facilitate analysis. Respondent's comments were analyzed qualitatively, noting reoccurring themes, similarities, and differences that were evident to both interviewers.

## FINDINGS<sup>1</sup>

### Travel Experience

Overall, participants interviewed on this program were well traveled. The number of extended business trips ranged from two to six trips per year and was expressed as being consistent over the past two-three years. The number of pleasure trips ranged from two to fifteen trips per year and was unanimously a

<sup>1</sup> Due to the constraint of space, a summary of complete answers to each question and frequencies of types of responses are not included in this paper. A summary of these results are available from the authors by request.

consistent pattern over the course of the past two-three years. The majority of respondents had been to Europe, with some traveling to Central and South America, and Africa on incentive programs. Four of the nine respondents had not been on incentive programs before. All of the first-time incentive participants became aware of the incentive program through their corporate account executive responsible for selling them advertising. Of those traveling to Fiji, one of the respondents said that he had other incentive programs to Hawaii and Mexico that competed directly with the Fiji program. Of those traveling to Kenya, two participants of the five had been offered competing programs to Australia/New Zealand and the Caribbean.

### Issues or Variables Most Important

Of the group who traveled to Fiji, the majority of the respondents indicated that the reputation of the station where their advertising dollars are placed was the most important consideration when placing their advertising dollars. One person did indicate that "it is a chance to go to Fiji-an exotic destination, and the radio station has been known for good trips." All of the responses by the Kenya participants expressed their desire to go to Africa. For example, one of the participants referred to her heritage and the importance of this trip--"as African-Americans we wanted to come to Africa and never got the opportunity ... it was something we had planned on doing someday..." One person referred to the "chance to see animals" and the "beauty of Africa." However, when pushed a bit further, clients who were primarily intrigued by the destination, backed up their comments with support for the station sponsoring the program. For example, "we don't advertise because we might win

something ... we don't do it that way, it's the quality of the department-this is first class." When asked about what intrigued participants most about their incentive program, all of the Fiji travelers referenced the destination itself. Africa respondents stated that "with our age and physical requirements, it sounded like a challenge, and the fact that the group was going helped us to say yes." Other comments related to a challenge included "I think it's really fun to tackle a situation that is so totally foreign, you know the culture ... I mean the shots ... we've never had to take shots when we went to another country." When asked to rate other trips not taken, respondents suggested that the reputation of trips offered by the station was enough to sway them to participating in the Fiji program. In regards to Africa, participants felt that they could go to the other destinations competing with Africa anytime (New Zealand, Australia). This theme was evident in comments such as "A year ago for example, (station x) had this trip to Hawaii-we've been to Hawaii a dozen or so times and had no real incentive to go..."

When respondents were asked about direct benefits anticipated from participating in the program, two primary themes surfaced. There was an overwhelming 'socialization' response. Participants agreed that 'networking,' meeting great people," "we have met so many people-it was just a delightful experience and bonding." Others indicated that there was an opportunity to meet a new culture.

The criteria most important to the majority of people on the Fiji trip, in making their final decision was overwhelmingly the reputation and relationship they had with the radio station staff sponsoring the program. The following comments are examples of the majority (three of five clients):

"I have a comfortable relationship with my account executive--I enjoy doing business with these people."

"If indeed the station does discontinue the incentive travel package program, I will continue to use (station x) for advertising because of the quality of the station and the people they have working there."

"Relationships that I have developed during the course of working with the radio station.

"Successful advertising with Station x."

Some of the Fiji participants indicated that the unique travel experience played some role in their decision to advertise with the station. This theme was demonstrated through the following examples from participants on the Fiji trip:

"Even if the incentive program were dropped, I will continue to advertise with Station x. However, I think they should keep the travel incentive program--gives clients a chance to travel with radio station employees."

"Exotic trips add to the value of the incentive because most people will tend to go places they know or that are easier to go to..."

"I chose to advertise with Station X for the first time because of their incentive trip as well as their reputation. I had a terrific time and would allocate more advertising dollars in order to qualify for another incentive trip. I will consider going with another station if they drop the incentives they do."

And one client suggested that he would change his advertising strategy altogether if the travel program were dropped: "I will

probably consider changing stations if they drop the incentive travel package program—just to try another station that has this bonus to offer."

The participants on the Africa program agreed that the radio station promoting the program had an extraordinary reputation. Due to this reputation, participants felt "comfortable" about traveling with the station to Africa and felt that it would be first class as a result. The year prior to the Africa incentive, the station offered a deluxe program to Hawaii and many clients chose not to go because they felt they "could go there anytime." Participants discussed the value of the program to Kenya and suggested similar underlying themes—yet did not suggest that they would advertise with a different station if the incentives were dropped completely. For example, in regards to the station's importance and reputation, clients expressed the following comments:

"...the radio station in (city) is very prominent as you know and the connection with them meant that to a certain extent, meant we were going to have a first class experience here. And the fact that I had a long relationship with (the station manager)..."

"WJR had been a great business associate... when I heard about this trip, I told (a person buying the advertising) to do it (spend a bit more to qualify for the trip)... that makes sense to me because I really like (the station) anyway and it was worth the \$ to do this."

Other than the station's reputation, the majority of the clients on the program to Africa alluded to the attributes of the country itself, traveling with a group, and the opportunity to make contacts and socialize as criteria in making their final decision to participate in the Kenya program.

For example clients alluded to the following:

#### *Natural aspects and the intrigue of Kenya:*

"It is very simple here, but the beauty of it is nothing like we've seen before... we've been a few places, but the beauty of it itself and the simplicity of it makes it more surreal..."

"It was the mysticalness of it all... I think just because it's something that when I was a kid, I really thought one day we'd live here... You know that was kind of "wow" Jane/Tarzan, elephants. I mean, I was into animals real early when I was a kid and it was the animals that intrigued me."

#### *Worry free travel:*

"Accommodations...and the opportunities to do a lot of different things... I thought it would be a wonderful adventure and that I wouldn't have to worry. I mean, when you go with these groups you don't have to worry about getting accommodations and getting from point A to B."

"Before we had our pre-trip meeting I was skeptical... but having John explain (the trip) at the two meetings was very helpful... it was reassuring to sit around and talk with people who were really, ya know, the kind of people I want to be with on this trip."

#### *Good networking and business contacts:*

One of the clients interviewed had a contract with a government agency and felt that meeting others in the business world was an excellent way to network and share her product with customers. She was told that this environment would be good for networking and she agreed, after making several contacts and setting up meetings on their return home.



## DISCUSSION AND IMPLICATIONS

The findings from this exploratory study have some implications for both the incentive planner and provider and the corporation sponsoring an incentive travel program. Past research has focused on decision-making of travelers who are engaged in the entire process - from sifting down several options available to overcoming constraints to meet their desired goal. Bricker (1) indicated the need to examine the decision-making process in incentive travel and to try to further understand the importance that the actual destination has as opposed to the benefits sought. For the incentive traveler, often times clients are asked to invest more in an advertising package than they normally would, and for that they will receive a value-added package, a travel incentive. Because many of the participants who are in control of these types of decisions own or are in a managerial position with their company or business, many are well traveled and have many options for incentives and other travel opportunities throughout the year. Therefore, our results indicated that a program to a unique destination - 'exotic' destination is a theme worth considering. It was also suggested by some of the participants traveling to Africa that they felt 'safe' in traveling with the group and felt that they would have excellent accommodations throughout their stay. While the reputation of the station is indeed an important component for the majority of respondents, the reputation combined with the expectation for the type of trip offered seemed also a necessary consideration.

Participants implied in many examples that the idea of worry free travel was an important consideration. From the pre-trip orientation to various services being taken care of throughout the program, people did not want to have to "think" on these programs.

A number of important themes emerged and are important considerations for future research in the incentive travel area. For example, are program components (activities, accommodations) equally as critical as the actual destination? Participants mentioned a challenge component, however, are the risks and challenges of traveling to a third-world destination minimized when presented in an incentive travel context? What role(s) can the travel planner have in developing or enhancing the relationship between client and corporation? How important is this relationship to the overall sales of a station or corporation and can a travel program actually enhance its development? Perhaps because of the exclusive nature of these incentive programs and the subsequent promotions associated with them, prestige-worthy tourism behavior (9) is another aspect of this type of program which should be addressed. Qualitative inquiry provided a basis upon which to explore the various themes in more depth. Perhaps investigation into the intensity of each of the ideas presented could be explored by looking at a scale which measured the importance of the items or themes. Inquiry into these questions may assist both the travel planner and the incentive sponsor in developing quality tourism products with the right blend of elements that prompt clients into greater spending and quality results.

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TABLE 1

SUMMARY OF INTERVIEW PARTICIPANTS

<b>Gender</b>		<b>Type of Company</b>	
<b><u>Kenya Program</u></b>		<b><u>Kenya Program</u></b>	
Male	2	Car Dealerships	2
Female	2	Public Service	1
		Sales (Insurance)	1
<b>Gender</b>		<b>Type of Company</b>	
<b><u>Fiji Program</u></b>		<b><u>Fiji Program</u></b>	
Male	4	Food Distribution	1
Female	1	Advertising Company	2
		Brokerage Firm	1
		Education Institution	1

TABLE 2

SEMI-STRUCTURED INTERVIEW QUESTIONS

<b>Travel History:</b>
How often do you take an extended business trip? Pleasure trip?
Where have you traveled in the past two to three years?
Which of these trips were for pleasure? Business?
How often do you take incentive trips during a year?
Is this your first incentive program with (name of corporation?) If not, on what programs have you participated in the past?
<b>Stimulus (Stage 1)</b>
How did you become aware of this incentive program?
From what source did you first learn about the program?
<b>Information Search (Stage 2)</b>
Did you have other incentive travel programs or incentive options that competed directly with this particular program? If so what were they?
Describe what issues or variables were most important in your decision to place the additional dollars with this organization and participate in this program
Describe what intrigued you most about this incentive travel program.
Please evaluate the other incentive programs not chosen.
<b>Problem Awareness (Stage 3)</b>
What direct benefit(s) do you or have you anticipate(d) from participating in this experience?
Did anyone else help you make this decision? If so, whom? How did they influence your decision?
<b>Evaluation of Alternatives (Stage 4)</b>
What criteria were the most important to you in making your final decision to participate in this program? Please consider all aspects of the program.