

Utilizing the Change of Tourist Information Search Channels as a Key to Guide Strategies for Destination Marketing Promotion – Taking Macao’s Tourists as an example

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Introduction

Tourist information search and the utilization of online platforms are topics that have received considerable attention in the tourism literature (Crotts, 1999; Fodness & Murray, 1997; Gunn, 1979; Pan & Fesenmaier, 2006). Understanding how prospective tourists acquire information is particularly important to destination marketing organizations (Morgan, Pritchard, & Pride, 2004; Pike & Ryan, 2004; Usakli & Baloglu, 2011). Moreover, insights into the process of information acquisition can help destination marketers develop appropriate strategies toward specific market segments (Carson, 2008; Jacobsen, 1997). Huang, Goo, Nam and Yoo (2017) classified these research studies into three major themes: understanding of online information channels, website features and characteristics, and new, emerging channels.

The uniqueness of tourism market is that tourists search and collect destination information before their departure and later conduct relevant activities during their trip (Dolnicar, 2008). Tourists perceive destination information from both officially and privately produced destination “markers”. Official and private channels promote destinations in very different ways, while noncommercial private information such as travel related websites, social media and user generated contents are more popular with tourists (Xiang & Gretzel, 2010). To meet the needs of different tourists, different marketing strategies should be employed to cater different market groups. Tourism market segmentation is an effective method which creates different tourism market segments based on tourists’ similar social-demographic characteristics and travel patterns (Xia et al., 2010).

Macao is selected as the tourism destination of this study. It is one of the special administrative regions of China, the other one being the Hong Kong SAR. Macao has become as one of Asia’s most extraordinary commerce tourism destinations, after long time of fast growth in the economy and infrastructure. This city of miracle is with only 31.3 km² in land area but had become well recognized for its competitiveness and glamor as a travel destination (MGTO, 2016). In 2019, Macao recorded more than 39 million visitor arrivals, with an average length of stay of 2.2 days for overnight visitors and 1.2 days for overall visitors (DSEC, 2020).

This study attempts to investigate into various information sources of Macao’s tourists used in order to seek market segmentation of promotion channels for different types of tourists. The research objectives of this study are: (1) to determine tourists’ information search channels and their impacts and (2) to classify channel impacts to consumers in demographics features to better market segmentation.

Literature Review

Market segmentation is a common method of marketing. Marketers divide a given market into segments by identifying distinct groups of consumers who differ in needs and wants (Kotler, Keller, Ang, Leong, & Tan, 2012). In Smith’s (1956, as cited in Lin, 2002) early work found that consumers categorized by a same group are supposed to show a high similarity in their demand and the way of implementation (Lin, 2002). The taxonomy of the similarities can be predefined by a number of strategies: gender, age group, nationality, income level, occupation, and education,

serving as traditional socio-demographic variables (Lin, 2002). The major segmentation variables and their attributes shows in Table 1, which can be categorized into four groups: behavior, demographic, psychographic and geographic (Kotler et al., 2012). Geographic segmentation is often used to divide the market into different geographic fragments (e.g. urban, suburban, and rural) to reflect their local variations (Schmitt, 1997). There is, however, no simple clear cut on the boundaries of geographic fragments, which can be determined at the national, regional, provincial, city, or even neighborhood levels, because it largely depends on the nature of the marketing plan (Kotler et al., 2012). Psychographic variables look at consumers’ lifestyles and personality (Lin, 2002). Consumers’ personal values need to be identified as some tourists are more adventurous while others may only engage in low-risk activities. Behavioral segmentation can be done using the “responses to benefits” as the segmentation process. Some examples of such benefits include business needs as well as personal engagement and development needs (Goryushkina et al., 2019). Demographic strategies are more commonly used than other segmentation methods because most demographic information such as gender, age and educational background is easier to identify and measure (Gilaninia & Mohammadi, 2015).

Table 1. Major Segment Variables and Their Attributes

Major Segment Variables	Attributes	Sources
Demographic	Gender, age group, income level, occupation, education	(Lin, 2002)
Geographic	National, regional, provincial, city, neighborhood Urban, suburban, rural	(Kotler et al., 2012) (Schmitt, 1997)
Psychographic	Lifestyles, personality, values	(Lin, 2002)
Behavioral	Responses to benefits; opportunity to creative potential; brand loyalty	(Goryushkina et al., 2019; Kotler et al., 2012)

The tourism industry has long relied on segmentation of consumers, in order to conduct efficient tourism market research. Many customer profiling methods have been used from hospitality firms, in an attempt to segment their target audience mostly on the basis of demographic characteristics, such as age, gender, or country of origin (Mavragani, Nikolaidou & Theodoraki, 2019). Among these characteristics, age is a distinctive demographic factor that affecting destination choice. Young people are keen to look for economical and interesting destinations while older travelers are more likely to look for comfortable and safe destinations (Weaver, McCleary, Lepisto, & Damonte, 1994). Veisten, Haukeland, Baardsen, Degnes-Ødemark, and Grue (2015) also concluded varied characteristics tourist segments such as activity interests, nature orientations, spending, length of stay, income, education, and nationality. Utilizing demographic information to divide the tourists and their preference for information search channels can better help the destinations to develop efficient marketing strategies and conduct purposeful promotions according to the needs of different market groups.

Travel information is functional because tourists need it for better planning, purchase decision, and risk mitigation. In Fodness and Murray’s (1997) tourism information sources classification

system, sources of information are divided into commercial and noncommercial whereas types of information are split into personal and impersonal. In the digital and mobile era, accessing information is much faster and easier than any time in our history. Social media has become an increasingly important communications tool to share personal feelings and beliefs. Personal blogs are important media to share one's life and experiences, serving as a public diary (Thevenot, 2007). Travel experiences are no exception to bloggers. Lively, full high definition videos are created on social networking platforms (e.g. YouTube) as vlog channels aim for high viewership and user subscription. Travel blogs and vlogs are influential and seem trustworthy among student groups as those platforms show visual and multimedia contents such as images and videos (Lodha & Philip, 2019). Information search on the Internet is highly interactive, and nevertheless, it creates uncertainty and inaccuracy due to huge amount of existing information, both reliable and unreliable (Pan & Fesenmaier, 2006). Despite the emergence of the new media today, websites, forums, blogs, vlogs, social networking sites still largely fit in the information sources classification system described by Fodness and Murray (1997). Information search can be conceptualized into two distinct modes, namely degree and direction (Fodness & Murray, 1997). The former looks at the combination of various sources used and the time spent on searching whereas the latter looks at the specific information channels preferred and used (Fodness & Murray, 1997). Information search strategy can be a function of many independent variables, including household lifecycle and socioeconomic status, and among others (Fodness & Murray, 1999). As one grows older, the role of that person plays in a family also changes apparently. This explains individuals' change in behavior among different stages of their household life and thus generation differences are observable (Oppermann, 1995). Typical measures of socioeconomic status are occupation, income level, wealth in monetary terms, etc. (Fodness & Murray, 1999). In order to formulate effective marketing strategies to attract visitors, destination marketers need to understand the tourists' profiles and their desires and preferences (Yavuz, Baloglu, & Uysal, 1998). It is crucial to use the most appropriate communication channels to reach the targeted segments of customers.

Methodology

The secondary data used in this study is from the Macao Visitor Profile Survey (VPS). The VPS is regularly conducted by the Tourism Research Centre of the Macao Institute for Tourism Studies. The datasets obtained and used in this study cover the years from 2009 to 2018. VPS targets at interviewing Macao's visitors who completed at least half of their planned journey or itinerary (IFT Tourism Research Centre [ITRC], 2017). Every year, over 3,000 samples are collected through the VPS project. The fieldwork dates include randomly selected weekdays and days with special festivals and events like Chinese New Year, Macao Grand Prix etc. Interview locations included major sites and terminals including the following:

- Border Gate (departure hall) – the busiest immigration checkpoint between Macao and the neighboring Guangdong;
- Ruins of St. Paul's – a famous iconic landmark on Macao peninsula;
- *Rua do Cunha* in Taipa – a narrow and short street and its vicinity famous for local eateries and snacks;
- Senado Square – the city center;
- Hong Kong-Macao Ferry Terminal (departure hall);

- Macao International Airport (departure hall).

According to ITRC (2017, p. 1), the VPS aims at understanding tourists’ needs and behaviors in the following aspects: “(1) their purpose and reasons for visiting Macao, (2) their trip and travel characteristics, (3) travel and transportation arrangements, (4) accommodation arrangements, (5) major information source, (6) spending behavior, (7) visitor attractions visited, (8) gaming behavior, and (9) evaluation of their overall travel experience.” This study makes use of *a priori* segmentation and focuses on one objective variable, namely (5) major information source.

Table 2. Categorization and Grouping of Tourists’ Information Search Channels

Grouping	Original Answer Choices
Offline – personal	Family members/ relatives Friends/ colleagues Past experience Travel agencies/ operators Destination tourist office in your residential region
Offline – mass media	Travel books/ magazines TV/ radio travel shows or advertisements Travel brochures or visitor information
Online	Internet/ forum/ blogs

Findings and Discussion

The results of the study divide demographic information into four broad categories: region, age, educational background, and income level. The information channels used by different types of arrivals of Macao were analyzed to find the focus of market promotion and to put forward effective suggestions for Macao's future tourism market strategy.

Table 3 displays the tourists’ arrivals demographics from 2009 to 2018. The data shows that the number of female tourists visiting Macao is more than male arrivals. The tourists concentrated on the age group of 26-35 years old. Most tourists come from Mainland China (hereafter referred to as China), with high school education or above, and monthly income of 1,501-2,250 USD. More than 90% of tourists are fully independent travelers. Table 2 divides the demographic information of passengers into three groups according to their choice of information channels. Most of the tourists choose offline-personal channels as their main information source for travel information search, which is followed by online information source and offline-mass media channels. Chi-square test shows that the demographic information group is significantly different in the selection of the same information channels.

Table 3. Tourists’ demographics under various information sources

Demographics	Information Sources	df	X ²
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		offline - personal	offline – mass media	online		
Gender	Male	8884 (43.9%)	915 (42%)	3499 (40.4%)	2	0.000
	Female	11361 (56.1%)	1266 (58%)	5160 (59.6%)		
Age	16-25	5270 (26%)	670 (30.7%)	3016 (34.8%)	10	0.000
	26-35	7713 (38%)	935 (42.8%)	3841 (44.3%)		
	36-45	4678 (23.1%)	430 (19.7%)	1396 (16.1%)		
	46-55	1877 (9.2%)	108 (4.9%)	317 (3.7%)		
	56-65	602 (3%)	31 (1.4%)	71 (0.8%)		
	>=66	153 (0.8%)	9 (0.4%)	28 (0.3%)		
Origin	Mainland China ¹	13135 (64.5%)	921 (42%)	5304 (61%)	10	0.000
	Others	1020 (5.1%)	238 (10.9%)	545 (6.3%)		
	Hong Kong	4414 (21.7%)	492 (22.5%)	1492 (17.2%)		
	Chinese Taiwan ²	1209 (6%)	370 (16.9%)	940 (10.9%)		
	Malaysia	302 (1.5%)	95 (4.4%)	248 (2.9%)		
	Singapore	291 (1.5%)	80 (3.7%)	171 (2%)		
Education	no formal education	182 (0.9%)	5 (0.2%)	27 (0.3%)	14	0.000
	primary/elementary	444 (2.2%)	18 (0.8%)	28 (0.3%)		
	middle school	1354 (6.7%)	76 (3.5%)	161 (1.9%)		
	high school	5309 (26.3%)	414 (19.1%)	1423 (16.5%)		
	vocational	1266 (6.3%)	125 (5.8%)	438 (5.1%)		
	bachelor	10200 (50.6%)	1293 (59.7%)	5752 (66.6%)		
	master	1283 (6.4%)	223 (10.3%)	729 (8.4%)		
	doctoral	138 (0.7%)	12 (0.6%)	73 (0.8%)		
Monthly Income	<=USD750	6093 (34.8%)	457 (24.5%)	2228 (29.2%)	16	0.000
	USD751-1,500	3857 (22%)	384 (20.6%)	2008 (26.3%)		
	USD1,501-2,250	2409 (13.8%)	283 (15.2%)	1318 (17.3%)		
	USD2,251-3,000	1353 (7.7%)	172 (9.2%)	677 (8.9%)		
	USD3,001-3,750	913 (5.2%)	124 (6.7%)	430 (5.6%)		
	USD3,751-4,500	729 (4.2%)	136 (7.3%)	288 (3.8%)		
	USD4,501-5,250	600 (3.4%)	120 (6.4%)	250 (3.3%)		
	USD5,251-6,000	593 (3.4%)	89 (4.8%)	178 (2.3%)		
	>USD6,000	955 (5.5%)	97 (5.2%)	246 (3.2%)		
Travel arrangement	FIT	18937 (93%)	2057 (93.8%)	8428 (96.9%)	2	0.000
	Tour group	1430 (7%)	137 (6.2%)	272 (3.1%)		

Note: Significant at ($p < 0.05$); FIT: Fully Independent Traveler

¹ Hereafter referred to as China

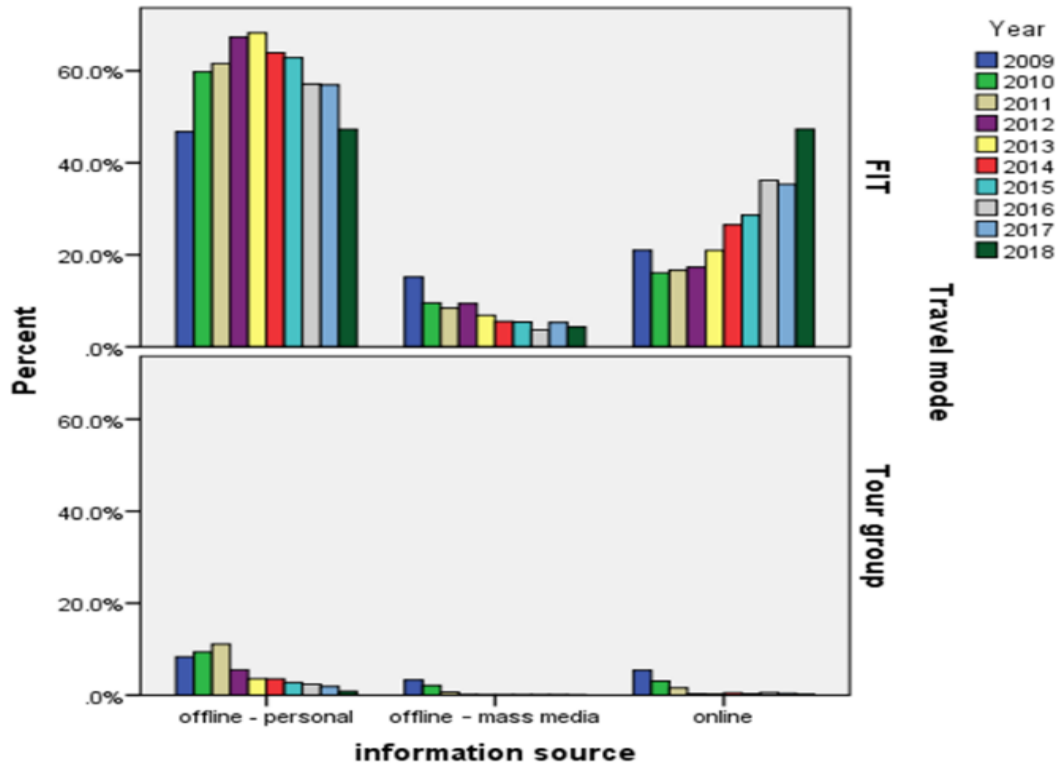
² Hereafter referred to as Taiwan

In the following paragraphs and figures we analyze the use of the different sources of information with regard to the demographic characteristics of the participants for this survey, i.e. travel modes, gender, age, origin, education, and monthly income.

Travel mode

Tourists' choice of three information channels under different travel modes is shown in Figure 1, most of the tourists in Macao are fully independent travelers and offline-personal channel is the most popular channel compare with other two information channels. In terms of time, tourists have paid more attention to travel information on offline personal channel in the past ten years, and it has not declined until 2014. The attention to online travel information is increasing each year, on the other hand tourists are not very enthusiastic about the public's travel promotions on offline mass media channels.

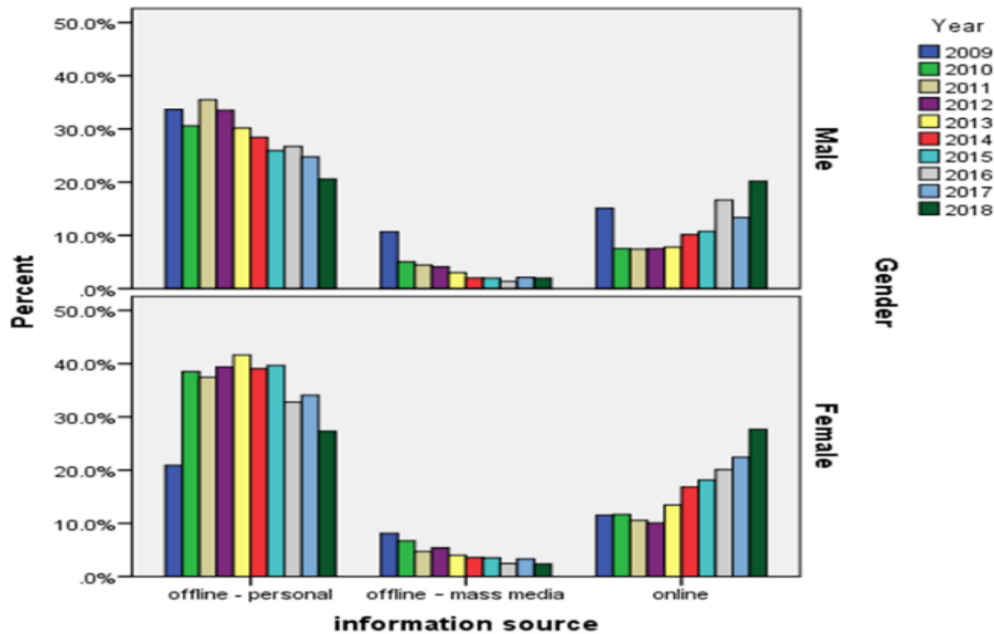
Figure 1. Tourists' choice of different information channels the two travel modes



Gender

Tourists' choice of three information channels under different gender group is shown in Figure 2. Similar to the choice of tourists for information channels under different travel modes, tourists also show increasing interest in online travel information under different gender groups, while the trend of decreasing attention to offline personal or public travel information.

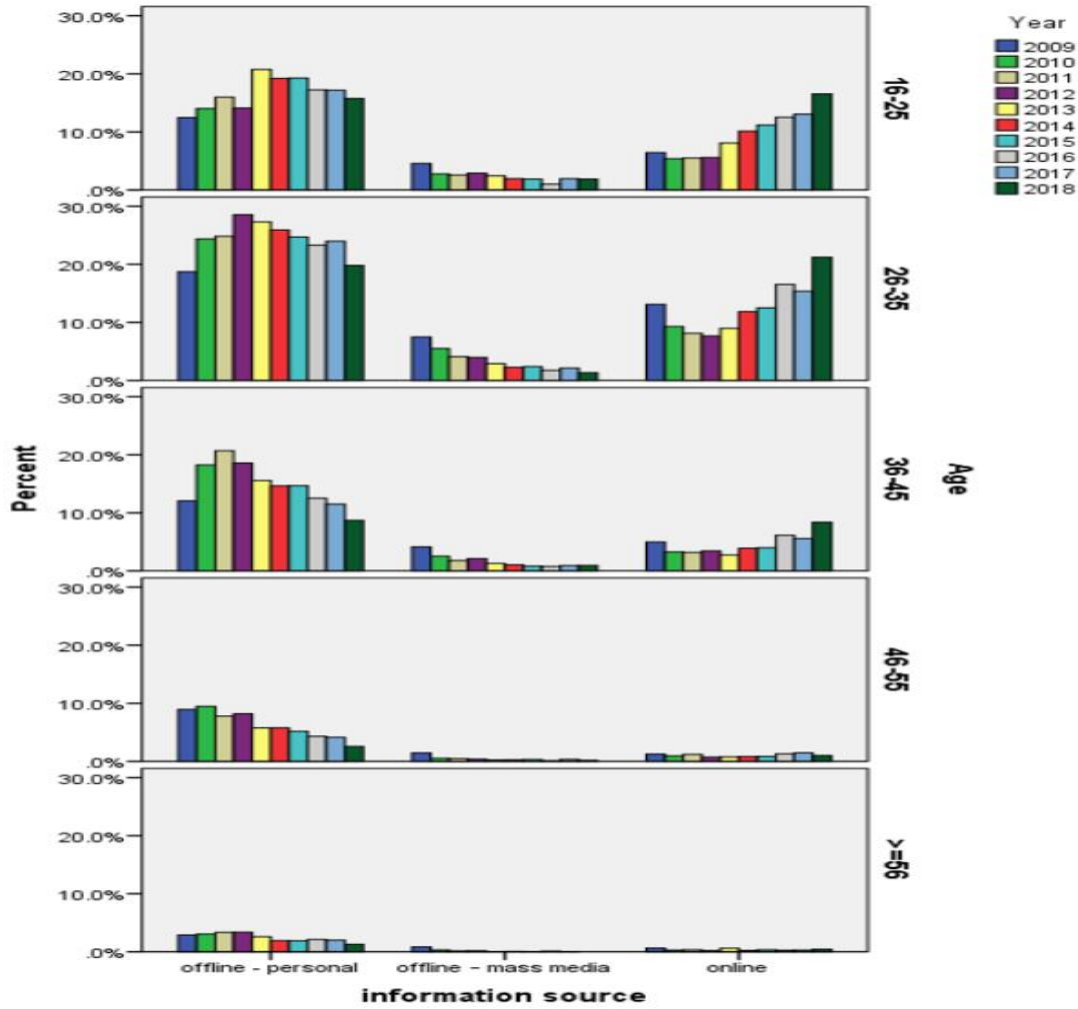
Figure 2. Tourists' choice of different information channels under the gender group



Age

Tourists' choice of three information channels under different age group is shown in Figure 3. Tourists are divided into five age groups. Most tourists are concentrated in the two age groups 16-25 and 26-35. Apparently, although the attention of online travel informants is increasing, tourists still have a high demand for offline personal information. Relative to the increasing interest in online travel information, young people aged 16-35 are more interested in online travel information than the need for offline personal travel information. However, visitors over 35 years old always keep interest in offline personal travel information and exceed the demand for online travel information.

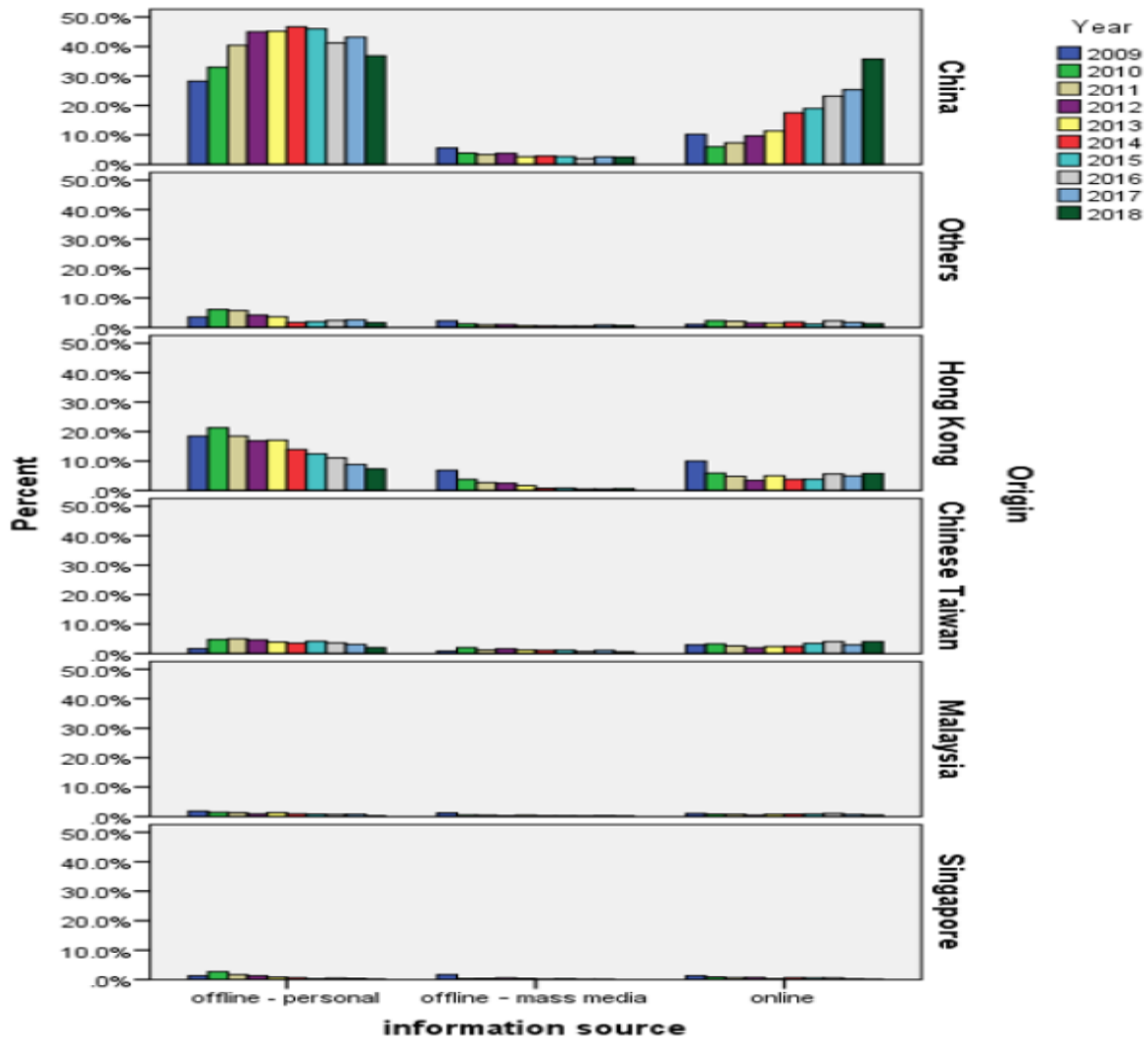
Figure 3. Tourists' choice of different information channels under different age groups



Origin

Figure 4 shows tourists from different origins their choice of different information channels. The six main tourist source market of Macao, the demand for online travel information from China's tourists reached a similar demand as offline personal travel information channels in 2018. Tourists from Hong Kong and Taiwan maintained a stable attitude towards online travel information.

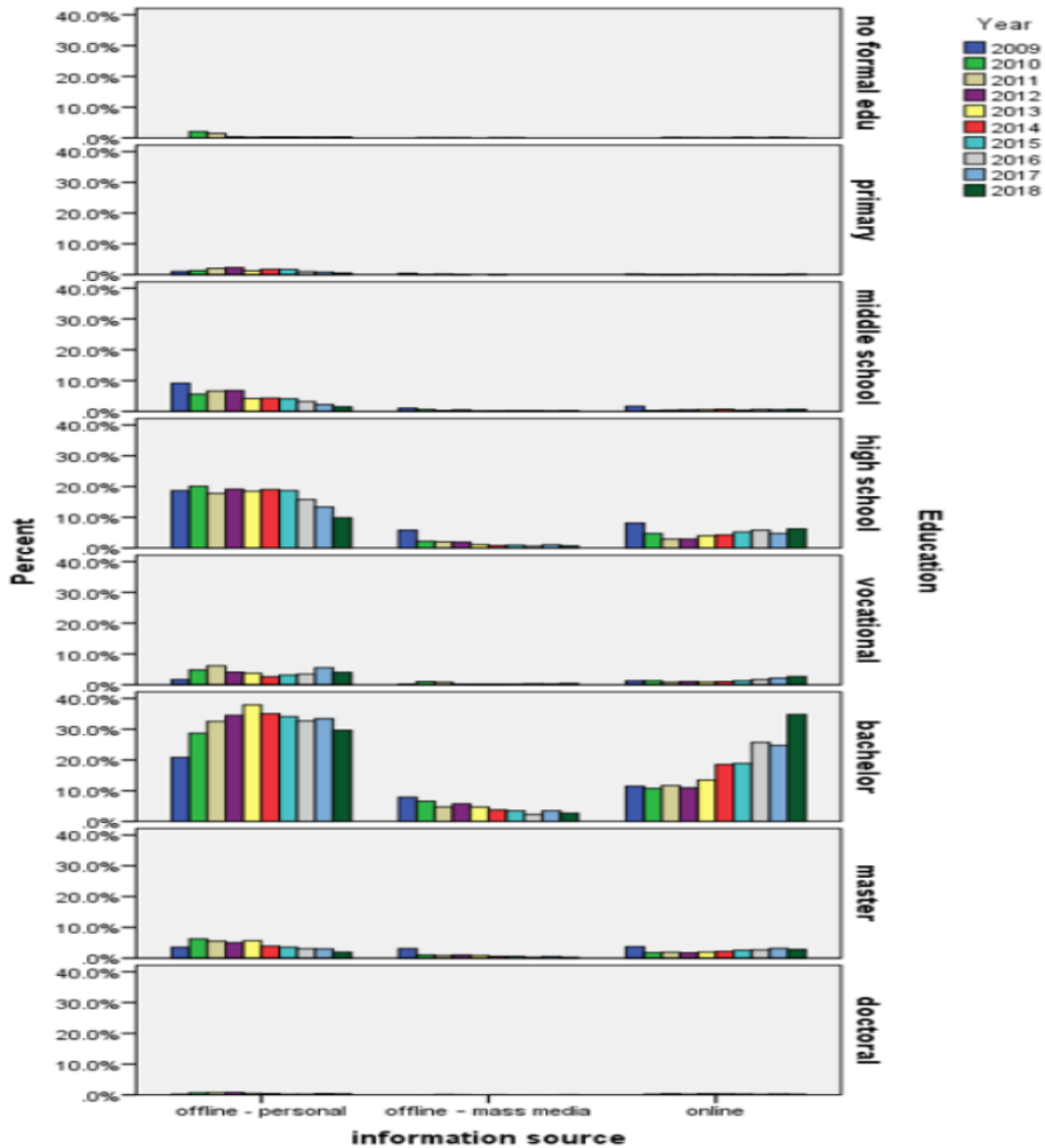
Figure 4. Tourists' choice of different information channels under different places of origin



Education

Tourists in different educational backgrounds their choice of different information channels is shown in Figure 5. Most tourists to Macao have a high school degree or above. The data shows that the higher the education level, the more similar the demand for offline personal travel information channels and online travel information channels. Almost all tourists have no interest in mass tourism information platforms regardless of their educational background. Among them, tourists with a bachelor's degree have a high degree of attention to offline personal tourism information platforms.

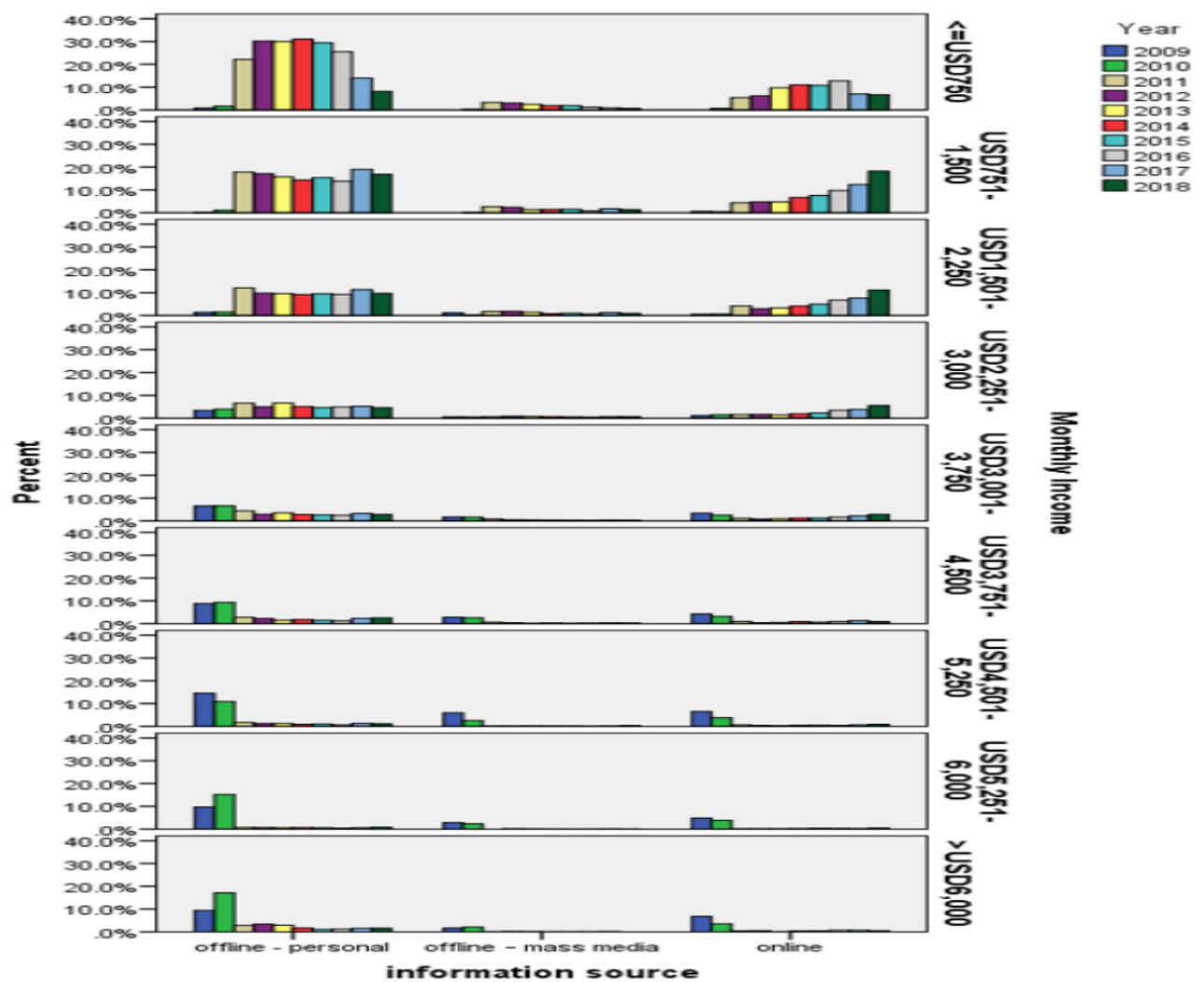
Figure 5. Tourists' choice of different information channels under different education background



Monthly Income

Low-income tourists are more inclined to choose offline personal travel channels, and the demand for online travel channels grows with income. Surprisingly, when the monthly salary of tourists is higher than 3,751-4,500 USD, their demand for these three information channels is not very high.

Figure 6. Tourists' choice of different information channels under different monthly income levels



Conclusion

The present study analyzed the profiles of Macao's tourists for the past 10 years, which verified that travelers usually relied on multiple information channels depending on their demographic characters. The findings provide a meaningful reference for Macao's tourism promotion strategy. It is important to note that 90% of the tourists are FIT mode and their preferred both online and offline personal channels for their tourism information collection. The Macao Government Tourist Office should pay attention to this data and focus on promoting novel and exploratory tourism information campaign to attract attention from FIT travelers. Destination promotion in Macao can be targeted according to the preferences of the information channels for different age groups, for example, for people aged 16-35, it is suitable for online platform promotion, while apply offline promotion to middle-aged and older people over 45 years old. Women showed a stronger desire for information search compared with men in the choice of travel information. Although both men and women have an increasing demand for online travel information, women obviously have more demand for online information. The marketing strategy suitable for women should be used more in online channels.

Although the study included 10 years of data and tried to collect the possible information channels selected by tourists, there were still limitations in this study. The current study did not develop deeply into the reasons why tourists choose different channels under the different demographic groups, and factors may influence their choice of selection. Future research can further explore the relevant issues.

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