Perceived Value in Tourism Experience

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Introduction

Perceived value has attracted much attention from both the industry and academia in recent decades (Sternberg, 1997; Tussyadiah, 2014). Consumers are more likely to express favorable comments and repurchase when they perceive high value in consumption (Chen & Chen, 2010; Gallarza & Saura, 2006; Petrick & Backman, 2002). Despite such an important construct, researchers have not reached consensus on the definition of perceived value, especially in the tourism context (Holbrook, 1994; Woodruff, 1997; Zeithaml, 1988). Most researchers agree that perceived value is a multi-dimensional rather than one-dimensional construct, but they propose different dimensions of perceived value. Even if they put forward the same dimension, they use diverse terminology. These inconsistencies create not only challenges for understanding perceived value but also difficulty in adding values to tourism service. For example, tourism businesses, as a result of inadequate research, do not know what values tourists expect to gain, which is the most important value, and which trade-offs tourists are willing to make (Holbrook, 1999).

The relationship between perceived value, whether one-dimensional or multi-dimensional, and future behavioral intention has been investigated intensively in previous studies (Lee, Chung & Lee, 2013; Petrick, 2004). As future behavioral intention is recognized as customers’ conative loyalty (Chen & Chen, 2010), investigating future behavioral intention can give implications for tourism businesses on how to raise consumers’ loyalty and thus lead to sustainable development. Perceived value has been found to have a direct positive impact on behavioral intention. However, this impact may also be influenced by tourism experience because tourism experience is the result of the values perceived by tourists (Morgan, 2006) and it has been recognized as a powerful driver of future behavioral intention (Kim, 2014). The relationships among perceived value, tourism experience, and behavioral intention have not been explored adequately in previous studies. To bridge this gap, this research will give insights into these constructs and relationships. The research objectives are as follows:

- To develop a measurement scale of perceived value in the tourism context;
- To explore the contributions of the different dimensions of perceived value in forming tourism experience;
- To build a theoretical framework to explain the relationships among perceived value, tourism experience and tourists’ future behavioral intention.

Tourism Experience

Pine and Gilmore in 1998 coined the term experience economy and emphasized that experience itself becomes a product in the experience economy. Experience, as a noun, can be defined either as “practical contact with an observation of facts or events” or “an event or occurrence which leaves an impression on someone” (Oxford Advanced Learner’s Dictionary). The first definition focuses on the encounter between someone and the events; the second definition emphasizes the result of experiencing these events. Most researchers adopt the second definition of experience: tourism experience is an impression of experiencing a trip. However, these researchers used
different descriptors, such as authentic (Mannell & Iso-Ahola, 1987), memorable (Kim, 2014; Tung & Ritchie, 2011), and positive and negative (Jackson, White & Schmierer, 1996). The first two adjectives can be problematic since researchers have not reached consensus for either one. Some believe that authenticity is fixed (Boorstin, 1962) while others think that it is based on the time and constructed context (MacCannell, 1973; Wang, 1999). Memorable tourism experiences are also difficult to evaluate because memory fades with time (Brewer, Zhao, Desmond, Glover & Gabrieli, 1998) and because tourists may have different interpretations of the term memorable.

Determining a tourism experience as either positive or negative can be easier for a tourist than determining it as authentic or memorable. A positive tourism experience is one which results from the impression associated with fulfillment or satisfaction and which has a positive influence on tourists’ lives (Jung, 2015). A negative tourism experience is one which results from disappointment or dissatisfaction and which has a negative influence on tourists’ lives (Jackson et al., 1996). Therefore, positive and negative tourism experiences have broader meanings than satisfied and dissatisfied tourism experiences (Oliver, 1980; Yoon & Uysal, 2005) since the latter only indicate whether tourists’ expectations are met or not (Crotts & Magnini, 2010).

**Perceived Value**

Perceived value is defined as the utility individuals derive from tangible products or intangible services; it consists of what benefits individuals get and what costs they pay (Zeithaml, 1988; Holbrook, 1999; McDougall & Levesque, 2000). Researchers interpret perceived value from two perspectives: one-dimensional and multi-dimensional. The former shows that value is a consumer’s overall evaluation of a product or service (Yi, Day & Cai, 2014). The latter emphasizes that the overall evaluation could be examined based on different dimensions (Sheth, Newman & Gross, 1991; Williams & Soutar, 2009). Lancaster (1966) argues that consumers make their decisions by evaluating the characteristics or dimensions of a good. His approach has been adopted by many researchers, and the multi-dimensional perspective of value, in line with this approach, has also been frequently used in previous research.

To have a better understanding of the different dimensions of perceived value, this study used the keywords of “perceived value”, “tourism”, and “travel” to search articles in the library database of the University of Guelph. Thirty-three articles were analyzed in this preliminary stage. The database includes some key articles in both the service and manufacturing contexts, such as Sheth et al. (1991), Pine & Gilmore (1998), and Sweeney & Soutar (2001).

Based on the analysis of 33 studies in the marketing, service, and tourism areas, this study proposes a six-dimensional perceived value (Table 1). All the dimensions in previous studies were taken into account and any similar ones were combined under the six dimensions. Analysis of the frequency of dimensions occurring in the literature indicates that functional value (29), social value (24), emotional value (23), and perceived sacrifice (19) have the highest frequency, and more than half of the 33 studies mentioned these four values.

[Insert Table 1 Here]

**Theoretical Framework**

The conceptual framework of this research is shown in Figure 1. Overall, this theoretical framework is a mediating relationship as a whole that is considered to be moderated.
perceived value is customers’ trade-off between costs and benefits (Zeithaml, 1988; Holbrook, 1999; McDougall & Levesque, 2000), these two constructs have different contributions in the formation a tourism experience. Therefore, costs (perceived sacrifice) and benefits (functional, social, emotional, experiential, and epistemic values) will be analyzed separately.

Benefits and tourism experience

Tourism experience is the impression left in tourists’ minds (Kim, 2014; Tung & Ritchie, 2011); the impression can be influenced by the costs and benefits tourist perceived from traveling (Morgan, 2006). Therefore, the benefits may affect the formation of tourism experience.

H1: The benefits (functional, cultural, emotional, experiential, and epistemic values) have different contributions in the formation of tourism experience.

Benefits and future behavioral intention

The direct influence of perceived value on future behavioral intention has been supported by many previous studies (Gallarza & Saura, 2006; Chen & Chen, 2010). Future behavioral intention includes two dimensions: intention to revisit and intention to recommend.

H2: The benefits gained from traveling positively influence both intention to revisit and intention to recommend.

Tourism experience and future behavioral intention

Tourism experience has been seen as a powerful driver of future behavioral intention because experience determines customer satisfaction (Kim, 2014). Since tourism experience can “touch” people and increases their quality of life (Urry, 1990), a positive tourism experience may lead to recommendation and revisit.

H3: Tourism experience positively influences both intention to revisit and intention to recommend.

Effects of costs (perceived sacrifice)

Some researchers have demonstrated the moderating effect of the costs on both consumption and post-consumption. For the former, Ryu and Han (2010) demonstrated that the monetary price is a negative moderator between the quality of service and satisfaction; for the latter, Huy Tuu, Ottar Olsen and Thi Thuy Linh (2011) propose the moderating effect of perceived risk on the relationship between satisfaction and loyalty. Therefore, this study puts forward the following hypotheses:

H4: The costs of travel moderate the relationship between the benefits gained from traveling and future behavioral intention.
H5: The costs of travel moderate the relationship between the benefits gained from traveling and tourism experience.
H6: The costs of travel moderate the relationship between tourism experience and future behavioral intention.

Methodology

This study will adopt post-hoc data collection. After their trips, tourists will be asked to rate their perceived value, tourism experience and future behavioral intention based on the list of elements.
National parks in Canada will be used as the context to examine the constructs of perceived value, tourism experience, and future behavioral intention. National parks have similar tourism resources, which allow this research project to reduce some heterogeneity caused by various tourism activities.

This research will consist of two main phases. In the first phase, a measurement scale of perceived value in the tourism context will be developed from literature. And then, the scale will be expanded and refined through interviews. Each in-depth interview will be about 45 minutes. The number of interviews will depend on whether theoretical saturation is achieved (Bryman, 2004). Snowball sampling will be used to recruit interviewees who have visited national parks. These interviewees will be asked to describe a positive tourism experience, a negative tourism experience, and the values they search for from traveling. The reason tourists will be asked to describe both positive and negative tourism experiences is because these two kinds of experiences can be the result of different perceived values. In the second phase, a questionnaire will be developed and then taken by participants. The questionnaire will be designed in three parts (Table 2). For the survey stage, internet panel sampling will be adopted. It enables the recruitment of enough participants who have visited national parks.

[Insert Table 2 Here]

In order to test research hypotheses in the proposed model (Figure 1), this study will use a structural equation modeling (SEM) approach. Before conducting SEM, exploratory factor analysis will be conducted in SPSS 20.0 to determine the structure of factors and identify indicators that cause significant cross-loadings and multicollinearity. In SEM, the two stages of testing procedure recommended by Anderson and Gerbing (1988) will be adopted. Firstly, confirmatory factor analysis will be used to estimate the measurement scale of perceived value (six dimensions). Secondly, the research hypotheses in the theoretical framework will be tested in Mplus 7. The model fit will be evaluated according to a series of fit indices, such as NFI, CFI, and RMSEA.

**Potential Results and Contributions**

This study will have three main potential results. First, this research is expected to give a clear interpretation of perceived value in the tourism context and to develop a measurement scale of perceived value. Second, it will demonstrate the contributions of the six dimensions of perceived value in forming tourism experience. Third, it will build a model to explain the relationships among perceived value, tourism experience, and future behavioral intention.

This study intends to make both theoretical and managerial contributions. First, the measurement scale of perceived value will offer a better tool to measure this construct. Second, the different dimensions of perceived value will provide a better understanding of tourism experience formation. Third, the model explaining the relationships among perceived value, tourism experience, and future behavioral intention will fill the gap of previous studies and contribute to literature on the underlying drivers of tourism experience. Fourth, the different contributions of functional, social, emotional, experiential, and epistemic values will give implications for which value plays a more important role in forming a tourism experience and how tourism businesses can foster the formation of positive tourism experiences by adding the values tourists emphasize.
## Tables and Figures

**Table 1. Dimensions of perceived value**

<table>
<thead>
<tr>
<th>Value</th>
<th>Product</th>
<th>Shopping activity</th>
<th>Service/Tourism service</th>
<th>Hotel</th>
<th>Event</th>
<th>Adventure tourism</th>
<th>Cultural/heritage tourism</th>
<th>Cruise</th>
<th>Media-Induced Tourism</th>
<th>Peace tourism</th>
<th>Medical tourism</th>
<th>Rural tourism</th>
<th>Island tourism</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional value</td>
<td>1, 2, 4, (27), 29</td>
<td>11, 13, 14, 16, 20, 21, (24), (27), 30, 31, 32, 33</td>
<td>23</td>
<td>15</td>
<td>3</td>
<td>5, 7, 17, 19, (25)</td>
<td>(6)</td>
<td>8</td>
<td>10</td>
<td>28</td>
<td>(18)</td>
<td>29</td>
<td></td>
<td></td>
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<tr>
<td><strong>Definition:</strong> Functional value is the perceived utility obtained from the performance of a product. In the tourism context, it refers to the facilities and infrastructure of a destination.</td>
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<tr>
<td>Social value</td>
<td>1, 2, 9, (27), 29</td>
<td>13, 14, 20, 21, (27), 30, 31, 33</td>
<td>23</td>
<td>15</td>
<td>3</td>
<td>17, 19, 22, (25)</td>
<td>(6)</td>
<td>10</td>
<td>28</td>
<td>(18)</td>
<td>24</td>
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<tr>
<td><strong>Definition:</strong> Social value is the perceived utility obtained from the ability of a product or service to create or enhance personal images, such as reputation, social status, ethnic identity, and personal characteristics.</td>
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<tr>
<td>Emotional value</td>
<td>1, 2, 4, 9, (27), 29</td>
<td>13, 14, 20, 21, (27), 30, 31, 33</td>
<td>15</td>
<td>3</td>
<td>7, 17, 19, (25)</td>
<td>(6)</td>
<td>8</td>
<td>28</td>
<td>(18)</td>
<td>23</td>
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<tr>
<td><strong>Definition:</strong> Emotional value is the perceived utility of a product or a service to generate feelings or emotional changes.</td>
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<tr>
<td>Perceived sacrifice</td>
<td>2, 9, (27), 29</td>
<td>13, 14, 20, 21, (27), 30, 31</td>
<td>15</td>
<td>3</td>
<td>7, 17, 19</td>
<td>26</td>
<td>(6)</td>
<td>8</td>
<td>(18)</td>
<td>19</td>
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<tr>
<td><strong>Definition:</strong> The perceived sacrifice refers to what consumers pay or give up, such as monetary cost, time cost, and perceived risk.</td>
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<tr>
<td>Experiential value</td>
<td>9, 4</td>
<td>11, (24), 32</td>
<td>16, 21</td>
<td>23</td>
<td>15</td>
<td>5, 22</td>
<td>12, 26</td>
<td>F</td>
<td>13</td>
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</tbody>
</table>
| **Definition:** Experiential value refers to the perceived utility of a product or a service to offer enjoyment, entertainment, freedom, and escapism.
Epistemic value
(educational value, novelty value, cultural value)

| Epistemic value | 1       | 16, 30, 33 | 3        | (25), 22 | 26 | (6) | 10 | 28 | 11 |

**Definition:** Epistemic value is the perceived utility of a product or a service to arouse curiosity, provide novelty, and enhance knowledge.

Note: 2. Sweeney and Soutar (2001) propose three dimensions of value and they include “value for money” in functional value.
15. Wang, Lu and Xia (2012) separated convenience value and utilitarian value from functional value.
21. Gallarza and Saura’s (2006) efficiency value is categorized into functional value in this research.
22. McKercher and Ho (2006) propose physical value and product value of museums, which are categorized into functional value in this research.
23. Sparks, Butcher and Pan (2007) propose convenience value, which is categorized into functional value in this research.
(27). Moliner, Sánchez, Rodríguez & Callarisa (2007) conducted studies in the contexts of both tile manufacturing and tourism.

**Literature**

1. Sheth et al. (1991)
2. Sweeney & Soutar (2001)
3. Williams & Soutar (2009)

Used the framework of “3. Williams & Soutar (2009)”
15. Wang, Lu & Xia (2012)
17. Chang, Backman & Huang (2014)

Used the framework of “13. Petrick (2002)”
20. Prebensen, Woo, Chen & Uysal (2013)
23. Sparks, Butcher & Pan (2007)

Used the framework of “11. Babin et al. (1994)”
25. Chen & Chen (2010)
27. Moliner et al. (2007)

Used the framework of “14. Sánchez et al. (2006)”
30. Pura (2005)
33. Sigala (2006)
Figure 1. The theoretical framework of this study

Table 2. Summary of questionnaire and measurements

<table>
<thead>
<tr>
<th>Sections</th>
<th>Questions</th>
<th>Measurements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 1</td>
<td>Tourists will be asked to recall their recent tourism experience in a national park and to evaluate the items shown in Table 6.</td>
<td>A seven-point Likert scale: 1 = strongly disagree and 7 = strongly agree</td>
</tr>
</tbody>
</table>
| Part 2   | Tourists will be asked to indicate the extent to which they agree with the following statements:  
  a. This tourism experience has had a positive influence on my life (e.g. entertainment, education, escape, or esthetic).  
  b. I would recommend this destination to others.  
  c. I would visit this destination again. | A seven-point Likert scale: 1 = strongly disagree and 7 = strongly agree |
| Part 3   | Tourists will be asked to provide their demographic information, including gender, age, education, occupation, and income. | Multiple choice and open-ended options |
References


