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Park Visitors’ Perceived Risk and Information Search Behavior

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ABSTRACT

This paper explores the effect of perceived risk on information search behaviors. A study conducted on park visitors’ information search characteristics revealed that tourists’ level of perceived risk significantly and positively influenced their perceived benefits of the information. When they deem that the risk of a purchase is relatively high, they seemed to be more engaged in the information, and hence feel more positively about the information. Counter-intuitively, this study revealed that the more risky the tourists consider the purchase to be, the fewer the types of information they used. In terms of the types of information sources, it seemed the level of risk involved in a potential purchase did not change respondents’ choice of information source. However, when their perceived risk increased, respondents were more reluctant to collect information from television, radio, or highway signs.
Introduction

In the recent decades, studies on tourists’ information search behavior have proliferated (e.g., Fodness & Murray, 1997, 1999; Gursoy & McCleary, 2004; Kerstetter & Cho, 2004; Vogt & Fesenmaier, 1998). Previous studies have indicated that understanding consumers’ information search behavior may assist marketers in terms of product positioning, advertising program development and market segmentations (Schul & Crompton, 1983), improve the quality and accessibility of product information (Schmidt & Spreng, 1996), and influence consumers’ purchase decisions (Wilkie & Dickson, 1995). In a destination context, information search has its influence on not only tourists’ pre-travel decisions, but also their on-site travel behaviors such as where to go, how long to stay and how much to spend (Fesenmaier, 1994; Romf, DiPietro, & Ricci, 2005). Thus, it seems destination marketers need to better understand the various aspects of tourists’ information search to excel in today's marketplace.

According to Hirschman and Wallendorf (1982), consumers engage in information search for two basic reasons: to reduce the current risk of making incorrect choices or to enhance knowledge in order to reduce the perceived risk of future purchase decisions. Traditionally, services are associated with higher risks than goods due to their intangibility and inseparability (Gusman, 1981). Travel, which is service in nature, often generates high level of perceived risk among decision makers (Schul & Crompton, 1983). The fact that tourists cannot try a service before they purchase it brings substantial uncertainty to their decision-making process. Although information search does not guarantee satisfaction in consumption experiences, information gathering may help reduce tourists’ perceived risks. In other words, information search is a strategy to optimize decisions by reducing risks involved. This paper intends to address the effect of perceived risk on information search behaviors.

Cox (1967) pointed out that consumers use information to satisfy their particular information needs, which are influenced by the amount and nature of perceived risk. In other words, higher perceived risk of products is likely to lead to higher information need. Srinivasan and Ratchford (1991) further suggested that higher levels of perceived risk not only results in more efforts in searching information, but also greater expected benefits of search. That is, consumers may expect more benefits from information search when the risk of purchase is perceived to be high. From a marketers’ standpoint, one might reason that tourists who perceive the risk to be higher tend to find the information which they obtained from the marketers to be more appealing. Although the correlation of perceived risk and information search behavior has been repeatedly verified in past research (Hugstad, Taylor, & Bruce, 1987; Murray, 1991; Srinivasan & Ratchford, 1991), empirical evidence of the relationship between perceived risk and expected benefits is still lacking.

For destination marketers, another interesting question of practical importance is where tourists obtain travel-related information, particularly external information. Researchers have suggested different approaches to categorize external information sources, such as: 1) social, personal, marketing, and editorial (Vogt & Fesenmaier, 1998); 2) commercial and noncommercial (Fodness & Murray, 1997); 3) marketer controlled, reseller information, third-party independent organizations, interpersonal sources, and direct inspection (Olshavsky & Wymer, 1995); and 4) consumer dominated, marketer dominated, and neutral sources (Cox,
Although no agreement on the categorization of information sources has been reached, one may reason that when perceived risks are higher, tourists may engage in more extensive information search and absorb destination information from a wider array of sources. Further, it would be intriguing to know if tourists’ perceived risk leads to any preference in information source usage.

Thus, the present study is guided by 3 hypotheses:

**H1:** Tourists’ perceived risk of a purchase decision is positively related to the perceived benefits of information search;

**H2:** Tourists’ perceived risk of a purchase decision is positively related to the amount of information sources they use;

**H3:** Tourists with different levels of perceived risk use different information sources.

### Methods

To examine the hypothesized relationships, the authors used the data from a recently conducted survey for a Mideast national recreation area (referred to as “the park” for confidentiality purpose). The survey involved a mixed method of mailing and web survey, in order to reduce both costs and non-coverage error (Dillman & Tarnai, 1988). The park personnel provided the research team with a list of 1,000 mailing and 725 e-mail addresses of individuals, who had recently contacted the park for travel related information. The mail survey followed the Dillman (1978) 3-wave approach, generating 243 valid responses. The effective response rate was 25.3%. As for the online version of the survey, an initial email was sent explaining the purpose of this study and providing the survey link, followed by three rounds of reminders (Dillman, 2000; Schaefer & Dillman, 1998). This process generated a total of 156 usable responses and a 25.9% effective response rate.

Out of the combined 399 valid responses, 244 (134 mailing, 110 online) were from respondents who actually visited the park since requesting information. The present study focused on this group of people. Although online respondents had a higher total household income (p=0.012) than the mailing group, no other significant difference between the mailing and online responses was detected in terms of respondents’ age, gender, number of individuals in household, having children or not, ethnic background, and distance traveled. Thus, the researchers deemed it appropriate to compile the data from the two portions and median replacement was used to address missing values.

On average, respondents lived 226.9 miles from the park. The average age of the respondents was 45.7 years old, and the average household size was 3.1 individuals. Approximately one half (52.6%) of respondents were female, the majority was white (93.8%), and approximately three fourths (77.7%) had children. Approximately one third (28.8%) of respondents reported a household income of $49,999 or less, while nearly one fifth (18.4%) reported a household income of $100,000 or more.

Following Lehto and colleagues (2004), this study used three indicators to represent perceived risk, which were number of weeks the respondent requested the information from the park in advance of selecting a vacation destination, number of weeks the respondent made the
decision to go there in advance of the trip, and the respondent’s self-reported effort in information search on a 7-point Likert scale. For analysis purpose, the responses were transformed to Z scores first, and then the Z scores of the three items were averaged to create an index of perceived risk. Perceived benefits of information search were measured by 4 Likert-type scales, respectively indicating that the information tourists obtained from the park “was very helpful,” “influenced my decision to travel there,” “influenced the length of my trip there,” and “influenced the attractions I visited there.” Again, the authors averaged the four items to create an index for the construct.

As for the information sources used, respondents were given a list of 12 media options, and asked “which of the following sources have you seen/heard information” on the park. For analysis purpose, a hierarchical cluster analysis was used to classify the 12 information sources into 4 groups: printed media (magazine feature articles, magazine editorials, newspaper editorials, newspaper feature articles, brochures, state travel guides), the Web (Internet, other website beside the park’s), interpersonal sources (friends and family), and other sources (television, radio, highway signs). Further, the amount of information sources used was calculated by the total types of sources, among the 12 listed, respondents checked for this question.

Findings

To test H1, the authors regressed perceived risk to perceived benefits. The results indicated that perceived risk’s effect ($\beta = 0.167, p=0.009$) on perceived benefits was statistically significant. The standardized coefficient implies that, for each unit of increase in perceived risk, tourists’ perceived benefits of information increase 0.167 units. Thus, H1 was supported.

To test H2, the authors regressed perceived risk to amount of information sources the respondents used. The results indicated that perceived risk’s effect ($\beta = -0.148, p=0.021$) on perceived benefits was statistically significant. Contrary to the hypothesized direction, for each unit of increase in perceived risk, the number of information sources respondents use decreases 0.148 units. Thus, H2 was not supported.

To test H3, the authors ran 4 separate logistic regression analyses, using perceived risk to respectively predict if respondents used printed media, web, interpersonal, and other sources or not. The results indicated that perceived risk did not have a significant effect on paper media, the Web, and interpersonal sources. In other words, the level of perceived risk did not influence respondents’ choice of information sources. However, perceived risk did have significantly effect on respondents’ use of “Other sources” ($\exp{}\beta = 0.526, p=0.006$). That is, when an individual’s perceived risk increases one unit, the odds for the person to use other sources (i.e. TV, radio, or highway sign) will decreased 0.53 times. Thus, H3 was partially supported.

Conclusions

Overall, this study found that tourists’ level of perceived risk significantly and positively influenced their perceived benefits of the information. When they deem that the risk of a purchase is relatively high, they seemed to be more engaged in the information, and hence feel
more positively about the information. Counter-intuitively, this study revealed that the more risky the tourists consider the purchase to be, the fewer the types of information they used. One might speculate that this occurs as customers nowadays are overwhelmed by the amount of information they are exposed. Consequently, they may intentionally narrow their scope of information search, so that they may use a less number of information sources more intensively. Future research may include not only the number of information source, but also the extent of analysis on each information source to measure tourists’ information search effort.

In terms of the types of information sources, this study did not detect a significant effect of perceived risk on park visitors’ choice of printed media, the Web, and interpersonal media. Put differently, the level of risk involved in a potential purchase did not change respondents’ choice of information source. However, when their perceived risk increased, respondents were more reluctant to collect information from television, radio, or highway signs. It is postulated that these information sources are considered to have lower credibility, and contain insufficient information for tourists to make final travel decisions. Also, tourists’ encounters with these information channels are often accidental, and out of tourists’ control. Thus, destination marketers may need to be more cautious in utilizing these media channels.
REFERENCES


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