

# Changing Tourism Consumer Behavior: The Impacts on Tourism Demand in Albania

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#### Abstract

**Purpose of the article** Exploring the nature of tourism behavior has traditionally been very complex. Adding to it the fast pace changing environment, the study becomes even more complicated. The purpose of this research is to shed light on the relationship between factors affecting tourist behavior and tourism demand in Albania.

Methodology/methods Tourism demand has generally been measured in terms of 'number of people entering and exiting the borders of a country'. In order to ensure the feasibility of this study, 'tourism demand' is measured in terms of 'frequency of travels'. To accomplish these objective, an online survey questionnaire was developed and administered across the population of Tirana and Durres, the largest cities in Albania, which also represented the population (N) upon which the sample size was drawn. Scientific aim Scientifically, the research aims at testing the relationship between the sample's monthly income levels, denoted as the independent variable and 'frequency of travel', denoted as the dependent variable. **Findings** The results of the research show that there is a significant association between these two constructs. That is, with  $x^2$  (1, N = 133) = 102,581, p= .000 < 0.01, the Null Hypothesis is rejected, and the Alternative Hypothesis is accepted. Conclusions From the study it is concluded that the higher the Monthly Income levels of the Albanian tourists, the higher the frequency of travels. Nevertheless, like in every other study there are also limitations involved with this particular study, as well. The lack of reliable quantitative data concerning the Albanian domestic tourism is one among the most crucial ones.

*Keywords:* 

Tourist Behavior, Tourism Demand, Determinants of Tourism Demand, Frequency of Travel.

JEL Classification: M30, M39

# Introduction

Living in a world where the only constant is change, understanding, to then predicting consumer behavior has become a focal point to the large body of researchers,

and tourism marketers. In this respect, it is crucial to be able to understand the individuals' behavior, around which revolves everything; how the tourism consumer thinks and decides about the consumption of tourism products, which in turn affects the demand for tourism. Tourism in our days is increasingly being considered more as a social phenomenon. Further, the nature of the society has shifted from that of a traditional economy focused on production to that focused on providing mostly service related products (Page, 2009, p.10). Over time, and especially during the post-war era, the labor started to experience an increase in the "leisure time and paid holiday entitlement"; in this way they had more possibilities to engage in different types of consumption, such as tourism.

According to Dr. Wieslaw Bogdan Alejziak, professor at the Institute of Tourism and Recreation at Academy of Physical Education in Kraków, "Some of the more visible processes in our modern life include; the quick development of the technology, the revolution in genetics, the conquest of outerspace, the rapid development of cities, and the changes in our jobs and lifestyles" (Alejzik, W. B., 2002a). In this context, it is being argued that there is going to be a shift from the traditional industries to the industries built upon modern technology, generating in this way radical transformations in "the relationships of our home and work place, working time and free time, and prosperity versus poverty" (Alejzik, W. B., 2002b). Being testimonials of this fast-pace changing environment, it is necessary to explore and study the tourist, being that he is the most essential ingredient of tourism demand. As a matter of fact, there are a bundle of researches and studies in the field of tourism in Albania, but just a few of them attempt to account for changes in tourism consumer behavior.

Robert Nesbit (as cited in Crompton, 1979a, p. 408) distinguishes four different subdivisions in the travel market, "personal business travel, government or corporate business travel, visiting friends and relatives, and pleasure vacation travel". This study will be concentrating mostly on the latter. In other words, this study investigates the impact of Albanian people *monthly income level* as an influential determinant of tourism demand on *tendency to travel*.

### 1. Literature Review

## 1.1 Definitions

Before one can study tourist behavior and its impact on tourism demand, it is important to reach into some agreement as to what is meant by a few of the most widely cited terms in the tourism research field. Nevertheless, defining tourism and tourism-related terms is a far from easy task.

Various attempts have been made by large organizations and individual researchers to continuously improve and further narrow the definitions of these key terms. As such, according to the World Tourism Organization (WTO), tourism is defined as the "social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes" (UNWTO, 2012, para. 1). The definition of 'tourism' has however created high waves of debate among researchers of this field, who have continuously attempted to point to the differences between a 'visitor' and a 'tourist', 'domestic tourists' and 'international tourists', 'tourism' and 'travel', and many other constructs of this type (Page, 2009, p. 15).

Two other major concepts worth defining prior to starting this journey through the study are 'tourist consumer behavior' and 'tourism demand'. Because what is being studied is the demand side of tourism, it is essential to get an understanding of what its main component, the tourist, is, and what drives their tendency to demand tourism products. Tourist behavior has traditionally been viewed as a complex area of research; as such different definitions are derived from the fundamental topic of consumer behavior, in order to construct that of tourist behavior. Researchers have differently defined consumer behavior in tourism.

John Swarbrooke and Susan Horner, in their account 'Consumer Behavior in Tourism', have provided the following definition, "Consumer behavior is the study of why people buy the product they do, and how they make their decision". Another definition adapted for tourism consumer behavior, is the one developed by Michael R. Solomon, Ph.D., Professor of Marketing and Director of the Center for Consumer Research, who incorporates the concepts of needs and wants into his definition, "Consumer behavior is the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and wants" (as cited in Swarbrooke & Horner, 2007a, p. 6). Janet McColl-Kennedy, professor of Marketing and Director of Research in Business, on the other hand, defines tourist behavior as "the actions a person takes towards purchasing and using products and services, including the decision-making process that precedes and determines the actions" (as cited in Gulid, Lertwannawit, Saengchan, 2010, p. 645).

Getting back to tourism demand, various definitions have been developed in this respect, as well. Nevertheless, two are the main definitions that will lead this study. One of them is proposed by Douglas Pearce, professor of Tourism Management, according to whom tourism demand is "the relationship between individuals' motivation [to travel] and their ability to do so" (as cited in Page, 2009a p. 84). In contrast, a more economic-oriented definition is proposed by Chris Cooper. According to the Marketing professor with an outstanding career in T-research and T- education, tourism demand is "the schedule of the amount of any product or service which people are willing and able to buy at each specific price in a set of possible prices during specified period of time" (Cooper, Fletcher, Gilbert, Wanhill, 1993).

#### 1.2 Consumer Behavior Models in Tourism.

Generally speaking, the main aim of the Consumer Behavior models is to provide a simplistic picture of the factors that drive consumers' buying decision making process (Swarbrooke & Horner, 2007b, p. 40). Seaton (1994) recognizes the intangible nature of tourism services as being the crucial reason explaining why special attention should be paid on the tourist' decision making process. Because tourists have to decide about a relatively high-spending activity such as tourism, considering also that they only have in their own imagination how their holiday will be, a high-risk decision making process is inevitably involved from their part. For this reason, the tourist will spend relatively more time on his or her decision making about purchasing tourism products and will as a consequence be more involved in the purchase decision. Considering also that large amounts are committed for something you cannot see, leaves the tourist with an opportunity cost of disastrous holiday being uncorrectable.

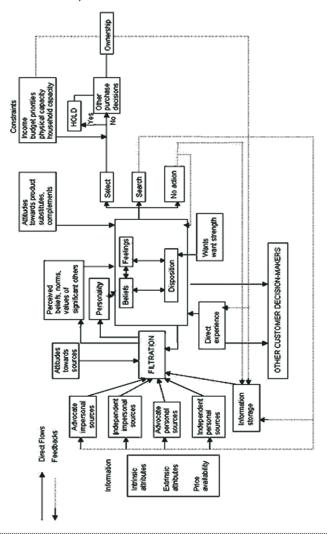


Figure 1: Andreasen model of Consumer Behavior

Source: (Andreasen, 1965)

One among the earliest models of consumer behavior was proposed by Andreasen back in the 60's. Information was the essential focus of this model, considering it as the most important ingredient in the consumers' decision-making process (as cited in Swarbrooke & Horner, 2007, p. 40). This model is displayed in **Figure 1**. While it successfully considers the significance of 'attitudes', it lacks acknowledging attitudes when it comes to purchase behavior reiteration (Andreasen, 1965).

In a like manner, Nicosia (as cited in Swarbrooke & Horner, 2007) proposed the model shown in **Figure 2**. According to this model, the overall consumer decision making process, together with the firms' communication process with the consumer, is separated into four fields. The first field includes the firm's attempts to communicate with the consumers and the consumer's inclination to behave in a certain manner. The second field involves the consumer's search evaluation; the third one represents that act of purchase

accompanied by the consumer's purchasing behavior, whereas the last field involves the consumer's post-purchase behavior and feedback (Swarbrooke & Horner, 2007).

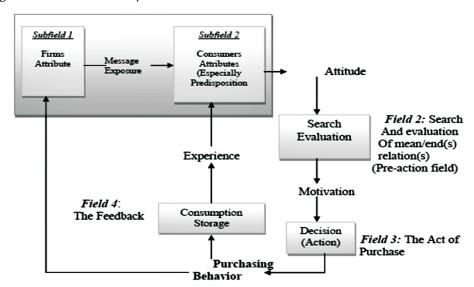


Figure 2: Nicosia model of Consumer Behavior

Source: (Swarbrooke & Horner, 2007f, p.42)

Furthermore, another very well-known representative theory of the buyer behavior is embedded in the Howard-Sheth model, shown in **Figure 3**. This model is very complex in nature and is focused on four different variable sets, specifically: "stimulus variables, response variables, hypothetical constructs and exogenous variables" (Howard & Sheth, 1969a, p. 470). As it may be observed, at the central part of the model lies a rectangular box containing several internal variables, which in turn describe the overall state and condition of the buyer. According to John A. Howard and Jagdish N. Sheth, founders of this model, the hypothetical constructs play the role of endogenous variables meaning that their changes can be given a reason for (Howard & Sheth, 1969b). In this respect, they have classified them in two different groups "learning constructs and perceptual constructs". The first notion includes seven variables, namely specific and nonspecific motives, brand potential, decision mediators, predisposition toward brands, inhibitors and satisfaction with the brand purchase. The learning constructs basically point at the buyer's process of opinion and beliefs formation until the final purchase decision is taken.

The second construct, on the other hand, deals with how the consumer acquires and processes information taken from the input variables, in order to make his purchase decision. Three are the main perceptual constructs that this model employees, shown also in Figure 3-3, "sensitivity to information, perceptual bias, and search for information" (Howard & Sheth, 1969c, p.477).

An equally very important part of the model is the inputs to this big rectangular box, or put in another way the stimuli that affect the buyer's internal condition. This stimulus comes from the marketing and social environment, and range from quality, price distinctiveness, availability and service of the brands to the social influencers such as family, reference groups and social class (Howard & Sheth, 1969d, p. 470). The outputs, on the other hand, represent the various responses that the buyer will most probably

disclose as a result of the communication between stimuli and his internal condition (Howard & Sheth, 1969e). In addition to the inputs, there is also an array of "influences" to the rectangular box, or namely to the hypothetical constructs or the internal state of the buyer. There are seven of them listed at the top of the model, and are marked as "exogenous" variables. Importance of purchase, personality variables, social class, culture, organization, time pressure and financial structure according to the authors "are several influences operating on the buyer's decisions which we treat as exogenous: that, is we do not explain their formation and change" (Howard & Sheth, 1969f, p. 485).

Solisfaction Prossuro Organization Input-Output Flow of Information and Effects Medialora influence of Exogenous Variables Predignoration Culturo - Feedback Effacts Social Class Nonspecific Motives Sensiliwity to Information n portanco of Distinctivenuss Distinctiveness octal Environme Availability Availability Property Service Significativo Sorvice Ostalsty Questaty Symbolic Pico

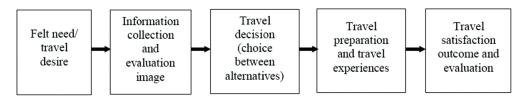
Figure 3: Howard-Sheth Model of the Theory of Buyer Behavior

Source: (Howard & Sheth, 1969g)

21

Lastly, Mathieson and Wall (as cited on Wall & Mathieson, 2006a) brought about a more simplistic version of the buyer behavior, this time adapted for tourism consumers. **Figure 4** displays a diagram of the model, which is mostly linear in nature. The model is in essence aligned to the general five steps employed during consumer's decision making process, but adapted specifically to the tourism product, ranging from felt need to travel (or need recognition) to travel satisfaction outcome (or post-purchase evaluation).

Figure 4: Travel-buying Behavior



**Source:** (adapted from Mathieson and Wall 1982; as cited in Wall & Mathesion 2006b)

Having traveled through the various general consumer behavior models, we have observed that most of the consumer behavior models in tourism are overly simplified if compared to the broad consumer behavior models (Wall & Mathieson, 2006c). This does not mean, however, that consumer behavior in tourism is a simple process in itself. On the contrary, because tourism involves various features, consumer behavior in tourism is highly complex in nature. In this respect, Swarbrooke and Horner in their account 'Consumer Behavior in Tourism' claim that "the diverse characteristics of tourism mean that consumer behavior in tourism will inevitably be very complex" (Swarbrooke and Horner, 2007g, p. 47).

# 2. Conceptual Frameworks and Hypothesis

### 2.1 Research Question

The primary objective of this study is to answer to its main question:

Q.1: What is the relationship between the determinants of the Albanian tourist's demand and tendency to travel?

## 2.2 Hypothesis

Theory indicates that the factors that influence consumer's buying behavior are divided into motivators and determinants (Swarbrooke and Horner, 2007h). The studies on holiday motivation are rather large and complex, and as such in order to provide a thorough and meaningful research it needs to be addressed in a separate study. It has been generally accepted in the literature of econometric models of tourism demand that tourist's personal Income level influences their overall buying behavior and as a consequence their willingness to purchase tourism products. Based on various scholars' theory arguments for the scope of this intended study, the following hypothesis is constructed to then be tested, using data from Albanian tourism consumers.

 $H_0$ : Monthly Income levels of Albanian tourists and tendency to travel (measured in terms of frequency of travel) are *statistically independent*.

H<sub>1</sub>: *The higher* the Monthly Income levels of Albanian tourists, *the higher* the tendency to travel (measured in terms of frequency of travel).

# 3. Research Design

### 3.1 Methodology

In realizing this study, a combination of primary and secondary sources was adopted. Looking at the bigger picture, this study is considered to be part of what are called intentional studies, and more specifically it is a pre-travel study on the Albanian tourist's intended travel preferences, habits and patterns. In addition, from the objectives perspective, overall the research attempts to discover the relationship between monthly income (as a determinant of tourism demand) and tendency to travel (measured in terms of frequency of travel). In this respect, this research can be considered a correlation research.

#### 3.2.1 Justification for the Methodology Used

In choosing this methodology, it was considered the fact that a relatively large and well structured survey was employed as an information gathering technique. For this reason it was thought that a research with the above characteristics would have been more appropriate, if compared to other types of research such as qualitative and observational ones.

## 3.3 Population and Sample Size

The study was carried out in Albania. Because random sampling is used to select the sample size, in principle every individual within the two major cities in Albania, Durres and Tirana have an equal chance of being selected, because once again in principle everyone engages in tourism activities, and the selection is completely based on chance. Knowing from secondary sources that the population of Tirana and Durres is 374,801 and 122,034 respectively, we say that our population (N) to be studied is 496,835 Albanian consumers (Central Intelligence Unit, 2012). However, it is worth mentioning that in this case because population size is by common knowledge and understanding large and not well defined (because tourism consumer is being studied), the population size does not represent a big concern. However attempts are made to clarify the margin of error or confidence interval for the sample size of this study. As a matter of fact, the amount of error to be tolerated, considering a sample size (n=141), a response distribution of 50% and a confidence level of 95% (representing the amount of uncertainty to be tolerated), is that of +/4 8.3%.

## 3.4 Questionnaire Design

The questionnaire is designed as an online survey instrument to collect data on the sample of interest, attempting to shed light on the hypothesis constructed. It is composed of 25 items that have been extracted from a review of the various literatures. More specifically, the survey is composed of 6 demographic questions, which include items such as gender, age, occupation, monthly income, education level, and the respondent's self-description as a tourist. In addition, two other items are employed to understand the consumer's *motivation to travel* with 13 attributes extracted from prior studies

(Crompton, 1979; Page, 2009b). The next 16 items measure the *determinants* of tourism consumer buying behavior (Swarbrooke and Horner, 2007ch; Uysal, 1998). Finally, the survey contains one dependent variable which measures tendency to travel of the average Albanian tourist in terms of *frequency of travel*, the relationship of which will be further tested against the independent variables.

The online survey was left out for a collection period of one month, from April 29<sup>th</sup> until May 30<sup>th</sup> 2012, and 141 responses were collected as a consequence.

#### 3.4.1 Data Analysis

When it comes to the method chosen to analyze the data gathered from the survey, a quantitative method has been employed. The data is processed though SPSS 20.0, the most commonly used statistical package. Data analysis includes various statistical tools such as *factor analysis*, and *chi-square testing*, for which will be talking in more details during the presentation of the results.

As far as the answers attained from the questionnaire is concerned, they were measured based on three different types of scales: nominal, ratio, ordinal (likert) scale. Facing time constraints, on the other hand, In order to get back responses in the shortest possible amount of time, they were sent by e-mail. As such, the questionnaires were distributed by e-mail in the form of a Web link and the responses were directly received on the survey's online platform<sup>1)</sup>. Once the collection phase has terminated on May 30<sup>th</sup>, the data was directly exported to the SPSS 20.0 software, removing in this way any incorrectness accompanying the data entering process.

# 4. Respondent's Demographic Profile

The respondents' demographic profile is depicted based on six different dimensions. The first characteristic is gender. The gender composition of the respondents is *34% male* and *66% female*, showing a significant difference between them when it comes to the participation on the survey. Results from the age variable, on the other hand, indicate that the majority of the respondents, around 57% of them belong to the age group 21 to 31 years old. As such, the second most populated age group of the respondents is that from 20 years old and under, accounting for 14% of the responses.

Furthermore, about 50% of them had a Bachelor Degree as their highest level of education, 1.4% had a PhD (about 2 persons out of 141 who actually responded to this question), and none of them had less than a high school degree, providing us with good reasons to suspect that the we have to deal with well educated and sophisticated consumers.

When it comes to the occupation of the respondents, about 40% of them are students, 21% are in the Professional/Technical category, while the other ones populate the other categories. This relatively large percentage of student participant is mainly due to the fact that the survey was distributed online.

Because of its intangible nature, the purchase of a tourism product involves a complex decision making process, a process which sometimes because of the lack of resources (time, money etc.,) results into what is known as 'suppressed' demand, or even

<sup>1)</sup> The online platform used to design the survey and then launch it for data gathering is called Survey Monkey

into 'no demand' at all (Page, 2009b). For this reason it is being closely considered the respondent's monthly income level, as an important indicator of the consumer's purchasing power. As it can be seen on **Table 1** below, around *31%* of the respondents have a monthly income of from *ALL20*, *000 to ALL 40*,000, while *30%* of them populate the second category, from *ALL41*, *000 to ALL60*, *000*.

The final characteristic for which the sample under study was asked about was a set of items based on which they would have to classify themselves as tourists. On a gender perspective, around 26% of females describe themselves as 'Single Income, No Kids' tourists, while 52.1% of males describe themselves as 'Backpackers'.

Table 1: Socio-Demographic Characteristics of the Respondents

Variables	Categories	Frequency (n=141)	Valid Percent (n=100%)
Gender	Female	93	66,0%
	Male	48	34,0%
	Total	141	100
Age	20 and Under	20	14,2%
	21-30	81	57,4%
	31-40	14	9,9%
	41-50	12	8,5%
	51-60	10	7,1%
	60 and Over	4	2,8%
	Total	141	100%
Degree	High school degree or equivalent	13	9,2%
	3-years college	19	13,5%
	Bachelor degree (4 years)	71	50,4%
	Masters degree	36	25,5%
	PhD. degree	2	1,4%
	Total	141	100%
Occupation	Professional/Technical	30	21,3%
	Executive Administrator	7	5,0%
	Middle Management	14	9,9%
	Sales/Marketing	14	9,9%
	Self-employed/Business Owner	6	4,3%
	Clerical or Service	5	3,5%
	Student	56	39,7%
	Unemployed	6	4,3%
	Retired	3	2,1%
	Total	141	100,0%
Valid		131	92,9%

Variables	Categories	Frequency (n=141)	Valid Percent (n=100%)
	Asst. Specialist	1	0,7%
	Auditor	1	0,7%
	Banker (Credit Officer)	1	0,7%
	History Teacher	1	0,7%
	Lawyer / Internal Audit	1	0,7%
	specialist, banking	1	0,7%
	Teacher	3	2,1%
	Total	141	100%
Monthly	ALL20000-40000	44	31,20%
Income	41000-60000	43	30,50%
	61000-80000	24	17,00%
	81000-100000	12	8,50%
	110000-200000	7	5,00%
	200000-500000	10	7,10%
	over 500000	1	0,70%
	Total	141	100%
Tourist	Backpackers	55	39,30%
Self-Descrip	Empty Nesters	11	7,90%
tion	DINKS	15	10,70%
	SINKS	33	23,60%
	Double. Kids	22	15,70%
	Early/Active Retirees	2	1,40%
	Youth	2	1,40%
	Total	140	100%
Missing	System	1	

# 5. Empirical Results

## 5.1 Reliability and Factor Analysis

Reliability and Validity (Bryman, 2008) are two very important building blocks upon which the quality of a research is based. While reliability is defined as "the extent to which a questionnaire, test, observation or any measurement procedures produces the same results on repeated trials" (Miller, n.d), validity is considered to be "the extent to which the instrument measures what it purports to measure".

Having these very important theoretical concepts in mind, this pre-hypothesis testing phase of the thesis will serve to assess one of the aspects of reliability<sup>2)</sup> for the variables

<sup>2)</sup> There are three aspects of reliability, namely: *equivalence*, *stability* and *internal consistency* (homogeneity) (Miller, n.d).

employed in a research, that of *internal consistency*. The primary objective of conducting a factor analysis in this study is to funnel the determinants of tourism demand in Albania (variables that measure them) into the respective component that best describes each, or more simply, to group together items with similar characteristics. Before conducting a factor analysis, however, a reliability test is carried out, to see whether a factor analysis is reliable and meaningful to be conducted.

From the scale reliability analysis, it was found out that the content validity of the survey instrument is adequate and acceptable. A *Cronbach*  $\alpha$  of 0.73 indicates an acceptable level of reliability between the scores of the survey data. In the social sciences and especially when conducting basic research the benchmark for the reliability is 0.70 or better (Cronbach, 1951, as cited in Grau, n.d., p.3104). **Table 2** summarizes the result. In this respect it can be concluded that this indicator is high enough for us to conduct a reliable and meaningful factor analysis that will generate several components among the sets of items within the questionnaire.

Table 2: Scale Reliability Statistics

Reliability Statistics						
Cronbach's Alpha	No. of Items					
,730	,712	9				

Moreover, a Kaiser-Meyer-Oklin measure of sampling adequacy of 0.75 and a significance of .000 are indications that a meaningful factor analysis may be conducted. **Table 3** summarizes the results.

Table 3: KMO Measure of Sampling adequacy and Bartlett's Test

KMO & Barlett's Test				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy. ,725				
	Approx. Chi-Square	237,264		
Bartlett's Test of Sphericity	df	36		
	Sig.	,000		

As mentioned earlier, the determinants of tourism consumer buying behavior are measured using a 9-items scale. By employing the principal components factor analysis, four factors with an eigenvalue greater than one explained *69.139%* of the variance of determinants of tourism consumer behavior. Moreover, 5 variables with factor loading less than *0.5* were removed.

Equally, if we take a look at our descriptive statistics on these variables (**Table 4**), it can be easily observed from the item's *means* that '**Social Networks'**, such as Facebook and Twitter are overall the most important variable that influences Albanian tourist to buy tourism products. It has the highest mean among all other variables, *3.1926*.

Table 4: Descriptive Statistics

Descriptive Statistics						
Mean Std. Deviation Analys						
Personal_Experience	1,6815	0,7693	135			
Friends_Colleagues	2,2741	0,90956	135			
Guidebooks and Magazines	3,0593	1,07733	135			
Official websites of the hotels & destinations	2,4667	1,16414	135			
Social Network (Facebook, Twitter, etc)	3,1926	1,15575	135			
TravelTour_Operators	2,3704	1,15086	135			
Media	3,1185	1,09988	135			
Information_Technology	2,9481	1,03893	135			
Tour_Operators	2,5556	0,85227	135			

**Table 5** summarizes the results of the loadings of the nine variables on the four components identified. As it can be understood by the factor loadings of each of the variables, the first factor includes items such as, 'Guidebooks and Magazines', 'Official Websites of the Hotels and Destinations', 'Social Networks', 'Travel and Tour Operators' and 'Media'. The high values of the factor loadings in the first component tell that these variables are the ones which take the most attention for the respondents during their decision making process. Within this factor, however, the variables with the highest loading are 'Guidebooks and Magazines' (0.709) and 'Social Networks' (0.709). This clearly shows that for Albanian tourists' the power of social media in influencing their tourism product purchases is considerably higher if compared to the traditional marketing channels.

'Information Technology', on the other hand, has a higher factor loading on the second component. A high factor loading (0.727) on this item tells us that the respondents consider it as a very important determinant for the decision making process when it comes to buying tourism products. The third component (factor) displays high loadings on the 'Friends & Colleagues' and 'Tour Operators' items, 0.676 and 0.517 respectively. And last, the 'Personal Experience' item is highly loaded (0.915) on factor 4.

Overall, it can be concluded that, based on the factor loadings of each of the items, 'Guidebooks and Magazines', 'Social Networks', 'Information Technology' and 'Personal Experience' are the determinants of tourism demand which influence the most the Albanian tourist's decision making process.

Table 5: Component (Factor) Matrix showing the loadings of the nine variables on the four factors extracted

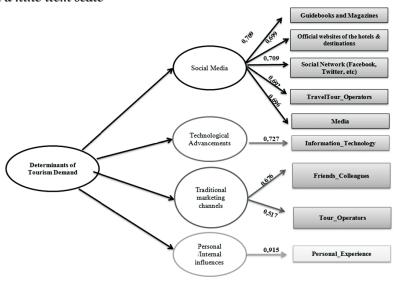
Component Matrix <sup>a</sup>						
	Component           1         2         3         4					
				4		
Personal_Experience	0,224	0,012	0,161	0,915		
Friends_Colleagues	0,388	-0,014	0,676	-0,315		

Component Matrix <sup>a</sup>						
	Component					
	1 2 3 4					
Guidebooks and Magazines	0,709	-0,157	0,356	-0,106		
Official websites of the hotels & destinations	0,699	0,225	-0,129	0,024		
Social Network (Facebook, Twitter, etc)	0,709	0,461	0,068	0,09		
TravelTour_Operators	0,692	-0,407	-0,299	0,062		
Media	0,696	-0,243	0,042	-0,032		
Information_Technology	0,324	0,727	-0,325	-0,153		
Tour_Operators	0,434	-0,36	0,517	-0,137		

Extraction Method: Principal Component Analysis. a. 4 components extracted.

Furthermore, based on the results extracted from the factor analysis, it can also be determined the nature of the factors itself. The item within the factor which happens to have the higher factor loading on that component determines the nature of the factor. As such, a simple factor model is shown in **Figure 5**, attempting to shed light on these relationships.

Figure 5: Simple structure of the factor model for the determinants of tourism demand based on a nine-item scale



## 5.2 Hypothesis Testing

Before testing the hypothesis and describing details about the analysis technique used, let's recall our *null* and *alternative hypothesis*.

- $H_0$ : Monthly Income levels of Albanian tourists and tendency to travel (measured in terms of frequency of travel) are *statistically independent*.
- **H**<sub>1</sub>: The higher the Monthly Income levels of Albanian tourists, *the higher* the tendency to travel (measured in terms of frequency of travel).

A chi-square<sup>3)</sup> analysis is conducted to test the hypothesis against the null hypothesis. This statistical test will enable us to find out whether there is an association between the two variables stated above: whether a higher level of the respondents' income level will result into a higher frequency of travel, or whether there is no difference. As it can observed from **Table 6**, there is about *94.3%* of the sample involved in the analysis, whereas *5.7%* of them just didn't answer to the question, so they were excluded from the analysis itself.

Case Processing Summary						
	Cases					
	Valid Missing Total				otal	
	N Percent N Percent N Percen				Percent	
Monthly_Income * Frequency_of_Travel_2011	133	94,30%	8	5,70%	141	100,00%

Now we can statistically check how probable that difference is due to chance, by using Pearson Chi-Square statistical value and the statistical significance of the difference observed. As it can be noticed from **Table 7**, which summarizes the results of the test, the difference that it is observed is statistically significant. The significance value displayed (*Sig.* = .000) shows that it is statistically improbable that the difference has occurred by chance or due to sampling; there is less than .001 probability that the difference has occurred by chance in a sample of 133 people. So, it seems like in the actual population, respondents with higher levels of Monthly Income are more likely to travel than those with lower levels of Monthly Income.

Table 7: Chi-Square Test

Chi-Square Tests						
	Value	df	Asymp. Sig. (2-sided)			
Pearson Chi-Square	102,581a	36	.000			
Likelihood Ratio	101,064	36	0			
Linear-by-Linear Association	33,937	1	0			
N of Valid Cases	133					

To conclude, based on the following results,  $x^2$  (1, N = 133) = 102,581, p = .000 < 0.01, the *Null Hypothesis* is **rejected**, and the *Alternative Hypothesis* is **accepted** (see **Table 8**). That is, it has been proved that the higher the Monthly Income level of the Albanian tourists, the higher the frequency of travel.

<sup>3)</sup> The formula for calculating Chi-Square is:  $X^2 = \sum (O - E)^2 / E$ , where O = Observed frequencies; E = Expected frequencies.

Table 8: Summary of Hypothesis Testing Results

Null Hypothesis	Test	Sig.	Decision
Monthly Income levels of Albanian tourists and tendency to travel (measured in terms of frequency of travel) <i>are statistically independent.</i>	Chi-square	,000	<b>Reject</b> the Null hypothesis

#### 6. Discussions and Recommendations

Being a very complex and wide field, the recommendations for tourism managers would be addressed at a business, rather than at a governmental level. They will be directed from three different perspectives based on the results aforementioned, and especially from those drawn from the Factor Analysis. Overall what tourism managers should do is to not forget to market their companies in any most innovative and creative way possible. Because from the survey was observed that 'social networks' and 'information technology' accrued to be two among the most influential determinants of tourism buying behavior; I would recommend some key points on how tourism managers might turn this information into effective use.

One very innovative way to do this is to first make sure that the format of their company's webpage fits well on a screen of a mobile phone, because trends show that Albanian people, especially the target group we have under study uses internet on the phone at a considerable degree. As such, from 15 internet users per 100 people in 2007, in 2011 that indicator has increased to 49 internet users per 100 people (The World Bank, 2012). Living in an era where information technology prevails, it would be very disappointing and the company will probably lose a lot if someone checks the company's website and finds out it is impossible to access it through the mobile.

Another very original way of turning your company's website into a real selling platform, and yet not automated, is by implementing a live chat, where customers can actually write and get back instantaneous responses for their questions. This is a very innovative and affordable way of responding to the customer's needs and wants through the use of technology.

Moreover, tourism managers might want to be close to their potential customers with 24 hours to 7 online booking platforms. Although it might look like a considerably high budget investment at the beginning, the ROMI will pay back in a relatively short time. By providing to people this kind of user-friendly way to check for tourism products and pay for them at any time, it is more likely that it is going to influence the consumer's decision making process in the desired direction.

In addition to enhancing the role of information technology and the social media as part of their marketing strategies, tourism mangers might also want to be very careful in designing the tourism products they offer, being in harmony with the demographic profile of their target market. As such, if we relate this back to the findings, tourism managers should most probably offer tourism products for young people which are not lengthy, while approaching older people with longer holidays. One of the most important objectives of marketers is to serve different segments with products that match each segment's needs and wants. The same thing happens with tourism products, the tourism managers might want to have a tourism package for any age group, income level, education and travel career level.

And last, because tourism is a very wide and complex system, I would like to end the recommendations session with a 'one recommendation fits all' quote by Professor Philip

Kotler, which states, "Within five years, if you run your business in the same way as you do now, you're going to be out of business" (Kotler, 2010).

#### Conclusions

In this paper were presented results of a quantitative study conducted on the determinants of the Albanian tourist behavior, and how this last affected the demand for tourism products. The results showed that there is a significant relationship between the monthly income level of Albanian people and their tendency to travel, otherwise measured in terms of 'frequency of travels'. In this regard, it was conducted a hypothesis testing using chi-square test. The Null hypothesis stated that the Monthly Income levels of Albanian tourists and tendency to travel (measured in terms of frequency of travel) are statistically independent. The significance value displayed from the test (Sig. = .000) shows that it is statistically improbable that the difference has occurred by chance or due to sampling; there is less than .001 probability that the difference has occurred by chance in a sample of 133 people. As a consequence the Null hypothesis is rejected and the Alternative hypothesis is accepted. Therefore, the higher is the Income level of the average Albanian tourist, the more they travel.

Furthermore, based on the research results, it has been concluded that 'Guidebooks and Magazines', 'Social Networks', 'Information Technology' and 'Personal Experience' are the determinants of which influence the most the Albanian tourists during their decision making process when it comes to purchasing tourism products.

Having studied the determinants of tourism demand from a quantitative perspective, because consumer behavior is a multidisciplinary field, it would have been of great interest to study tourism consumer behavior and tourism demand from a qualitative perspective. As such, perhaps something of interest would be to study consumer behavior as a cognitive and social phenomenon, and try to go inside what is called the 'big black box', the consumer's mind (Kotler & Armstrong, 2010).

Furthermore, because this study is more related to Albanian tourists in relation to domestic and international tourism products, perhaps further studies should target foreign tourists visiting Albania. Results from this particular study might help tourism planners, especially at the government level, to design appropriate tourism strategies which will further help the sustainability of the development of Albania as a tourism destination.

To conclude, because this study started with the word 'change', I would also like to end it with it. In this context, I would suggest that in order to get a more comprehensive understanding of tourism consumer behavior, and how it evolves through time it is of particular value to study the same sample and variables over time. Only in this way, with a longitudinal study, 'change' in tourism consumer behavior could be properly studied and documented.

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