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Britain in bloom? A study into Chinese tourists' experience

Abstract

Purpose: The purpose of this study is to examine Chinese tourists' experience of Britain based on a conceptual model of tourist satisfaction and destination loyalty, and to identify key issues that tourism organisations could address to provide an excellent experience for Chinese tourists.

Design/methodology/approach: Data were collected in collaboration with a tour operator; and 275 valid responses were received. Partial Least Square Structural Equation Modelling (PLS-SEM) was used for data analysis.

Findings: The key destination attributes of Britain such as heritage sites, natural scenery and customer service provide an excellent experience for Chinese tourists. Other British destination attributes such as shopping facilities, food, accommodation, entertainment and night life are less impressive.

Research limitations/implications: The sample was drawn from Chinese tourists visiting Britain on package tours, which limits the generalisation of results to other Chinese tourists and other European/Mediterranean destinations.

Practical implications: There are two key challenges for British destination tourism managers: a) to maintain the current quality levels in the attributes that generate tourist satisfaction; and b) to concentrate on improving attributes with low performance ratings such as shopping, food and drink, accommodation, entertainment and night life. As the characteristics of Chinese tourists are culture-specific rather than destination-specific, tourism managers in other European destinations may find these recommendations useful too.

Originality/value: This is one of the first studies to examine Chinese tourists' experience of a European destination. The results reveal unique characteristics of Chinese tourist requirements, which provide useful implications for tourism organisations to adapt their service strategies to better cater to this growing group of travellers.

Keywords: Chinese tourists, destination, satisfaction, loyalty, Britain, PLS-SEM.

1. Introduction

The current tourism growth in Europe is largely led by BRIC countries, comprising of Brazil, Russia, India and China (Euromonitor International, 2014). The World Tourism Organisation (UNWTO) forecasts that the market shares of these economies will continue to grow gradually until 2030 (UNWTO, 2013). China remains the most important of all the BRIC markets for outbound tourism. Chinese tourists are ranked at the top of the table for tourism spending with a figure of 102 billion USD (Webster & Ivanov, 2014). China is now the world's largest outbound tourism market, and provisional data for 2013 suggests that the number of visitors to Britain from China hit 200,000 for the first time (VisitBritain, 2014). Chinese tourists' spending power in the UK is also impressive. On average, a Chinese visitor in Britain spends approximately £1,700 while on holiday, more than three times the global average of £567 (Whiteaker, 2011). During the first nine months of 2013 alone, Chinese visitors spent over £400 million in Britain (VisitBritain, 2014).

To attract tourists from the emerging markets, the European Travel Commission has taken a common European tourism marketing initiative, which includes the launch of a website (www.visiteurope.com) by exploiting the potential of branding Europe as a supra-national destination (Andreu, Claver, & Quer, 2013; Garcia-Hirschfeld & Gómez, 2011). The website attempts to portray a shared European destination profile which can be identified as 'diversity, history, culture and nature' (Therkelsen & Gram, 2010). There are various challenges for European destination marketing managers to attract and cater to the unique needs of tourists from different markets, as tourist behaviours are cultural-specific (Agrusa, Kim, & Wang, 2011; Yoo, McKercher, & Mena, 2004). To manage and serve this market demand effectively, it is critical to understand how Chinese tourists perceive European destinations and identify which aspects are critical to Chinese tourist experiences in Europe.

However, there are very few published studies on Chinese tourists' experience of European destinations.

Using Britain as an empirical setting, this study aims: a) to examine Chinese tourists' experience of Britain based on a conceptual model of tourist satisfaction and destination loyalty, and b) to identify key areas that destination tourism organisations could address to provide an excellent experience for Chinese tourists. In the next section, we first review the relevant literature on Chinese tourist experiences in western country destinations, and the conceptual model of destination quality, value, satisfaction and loyalty. Next, we present the methodology adopted and empirical results. Finally, we provide the managerial implications based on our findings, and discuss research limitations and suggestions for future research.

Literature review

1.1. Characteristics of Chinese tourists

Understanding what drives tourists to visit a destination and their needs and requirements is important for destination tourism management (Yu & Weiler, 2001). Chinese outbound tourists share many of the same desires of all tourists, but they also have unique expectations and requirements of their overseas tours (Li, Lai, Harrill, Kline, & Wang, 2011). Several studies have addressed the motives of Chinese tourists visiting overseas destinations (e.g. Mohsin, 2008; Sun, Zhang, & Ryan, 2015; Wong & Lau, 2001; Xu, Li, & Weaver, 2010; Yu & Weiler, 2001).

Novelty or intellectual curiosity is a common theme identified among these studies about Chinese tourists (Mohsin, 2008; Wong & Lau, 2001; Xu et al., 2010). Specifically, novel places, nature and natural scenery, historic sites and iconic architecture are the major pull factors for Chinese tourists. Mohsin (2008) study of Chinese tourists' motives to visit New Zealand indicates that Chinese tourists are eager to discover new places and ideas. Novelty is one of the six dimensions revealed by Xu *et al.* (2010) in their study of Chinese tourists visiting the United States. Wong and Lau's (2001) study of Hong Kong Chinese tourists suggests that the key interests of Chinese tourists are the novelty and authenticity of attractions. Chinese tourists desire to sample local food, and they love opportunities for taking photos. Yu and Weiler (2001) reveal that major benefits sought by Chinese tourists visiting Australia include scenic beauty, famous attractions and different cultures. Similarly, Sparks and Pan (2009) investigate potential Chinese outbound tourists to Australia and indicate that natural beauty and icons of a destination are among the five most important factors valued by Chinese tourists. Fan and Hsu's (2014) study reveals that the top five motivation factors of potential Chinese cruisers are: a) "Enjoy beautiful environment and

sceneries”, b) “Experience attractive routes and destinations”, c) See and experience new cultures”, d) “Visit different places in one trip” and e) “Travel to places friends/relatives have not visited”.

In addition to novelty, prior research on Chinese tourist behaviour has revealed other motives such as relaxation/escape, social enhancement and entertainment. Mohsin (2008) suggests that relaxation needs are an important motive for Chinese tourists visiting New Zealand. Sparks and Pan (2009) suggest that social self-enhancement is important for Chinese tourists visiting overseas destinations. Using means-end theory, Jiang, Scott, and Ding (2014) identify one of the major themes of Chinese outbound tourists’ motivation is to seek destinations that are ‘famous’ or have a ‘good environment’ to enhance the feeling of ‘pleasure’.

Like all tourists, Chinese tourists’ travel motivations and expectations are usually shaped by their culture (Burt & Sparks, 2002; Li et al., 2011). The significance of culture in understanding tourist evaluations of holiday experiences should not be underestimated (Sun et al., 2015). Sparks and Pan (2009) reveal that Chinese overseas travel intentions are influenced by reference groups. Chinese might feel obliged to purchase gifts for their extended network of family members and friends because of their Confucian tradition, thus shopping is an important activity for Chinese tourists visiting a foreign destination (Guo, Kim, & Timothy, 2007). Xu and McGehee’s (2012) study of Chinese tourists’ shopping behaviour in the US showed that Chinese tourists regard the quality of American products to be better and prices lower than similar products at home, and they tend to have a positive image of shopping in the US than European and Asian destinations. Another study of Chinese tourists’ expectations of outbound travel products reveal details of Chinese outbound tourist expectation along five key important destination attributes: accommodations, food and drinks, tour guides and itineraries, entertainment and activities, and transportation (Li et al., 2011).

The European Commission Tourism Business Portal (2014) suggests that the motivations of Chinese tourists are the discovery of new experiences in 'exotic and different' destinations and buying original products from places they visit. Research on Chinese tourists' experience in a European destination has been limited, and only recently have researchers started to examine Chinese tourist experience with a European destination. Pearce, Wu, De Carlo, and Rossi (2013) conducted a study of Chinese tourists in Milan, Italy. Their results indicate that China tourists' positive experiences of Milan are: the magnificent historical Cathedral, specific paintings and statues, shopping and fashion, diversity of tourists, and food. The authors also reveal areas of improvement from Chinese tourist's experience, for example: too many peddlers, facilities (toilets, tap water and shops), better interpretation (guide, signs, maps and info centre), cleanliness (cigarette butts, garbage and pigeon droppings), service and hospitality, safety and noise level.

1.2. Destination quality, perceived value, satisfaction and loyalty

A destination consists of a wide variety of tourism products and services that offer consumers an integrated experience, thus destination quality can be defined as the tourists' evaluation of all the relevant aspects of their experience at a destination (Žabkar, Brenčič, & Dmitrović, 2010). Tourists usually evaluate this experience subjectively according to their cultural background, expectations, purpose of visit, travel itinerary, etc. (Fuchs & Weiermair, 2004; Žabkar et al., 2010). The construct of quality, particularly service quality, is well researched in the business literature. Parasuraman, Zeithaml, and Berry (1988) define service quality as a comparison between customers' expectations and actual service performance the customer received. The so-called 'disconfirmation' paradigm is operationalised in the SERVQUAL model, which is the 'most commonly used' model for evaluating service quality (Chen, 2008). However, SERVQUAL has been criticised for its inherent complexity. For example, Cronin, Brady, and Hult (2000) argue that the SERVPERF performance-only model can capture the

service quality construct better. The performance of different destination attributes is the main feature of tourist consumption, thus bears a pre-eminent role in the formation of customer satisfaction and loyalty (Yuksel & Yuksel, 2001). Empirical evidence has confirmed that the performance-only approach is an adequate and appropriate framework for measuring tourists' perceptions of destination quality, satisfaction and behaviour intention. A similar approach was also applied by Žabkar *et al.* (2010) in the tourism destination context. Our conceptualisation of destination quality is related to destination image, as it serves as one of the most direct sources of tourist post-visit destination image formation or refinement. However, it is also distinct from destination image since we focus on destination attribute performance only. In contrast, destination image is usually defined as a multidimensional attitudinal construct that consists of an individual's cognitive and affective or even conative response to a tourist destination (Baloglu & McCleary, 1999; Echtner & Ritchie, 1993). We argue that this approach of defining destination image is overly complicated, and the simplified definition adequately captures the construct under study. This argument is grounded in earlier work by Fishbein and Ajzen (1975) and in more recent work by East, Gendall, Hammond, and Lomax (2005), who strongly opposed the incorporation of all possible antecedents and consequences (i.e. cognitive-affective-conative) in defining an attitudinal construct, and urged for focusing on the simpler but more essential evaluative meaning.

Destination loyalty can be defined as a tourist's 'deeply held commitment' to a specific destination, despite the factors that might induce switching to others (Oliver, 1999), and it is often reflected in tourists' intentions to extend their visit, revisit the destination and recommend the destination to their friends (Oppermann, 2000). Perceived value is "the consumer's overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given" (Zeithaml, 1988). Satisfaction is usually defined as

tourists' overall subjective post-visitation evaluation judgment based on all encounters and experiences with a destination (Bitner, 1990).

1.3. Conceptual model

The chain relationship of quality, perceived value, satisfaction and loyalty has been examined in a variety of industries including tourism (Chen & Chen, 2010; Eusébio & Vieira, 2013; Žabkar *et al.*, 2010; Zhang, Fu, Cai, & Lu, 2014). Figure 1 depicts the conceptual model for the current study. Empirical research has revealed that service quality positively influence customer satisfaction, perceived value and customer loyalty (Baker & Crompton, 2000; Cronin *et al.*, 2000) and in tourism context, tourist loyalty (e.g. Chen & Chen, 2010; Hutchinson, Lai, & Wang, 2009; Žabkar *et al.*, 2010). Chen and Chen (2010) examine the tourist experience quality of heritage sites in Taiwan, and Žabkar *et al.* (2010) examine the quality of four tourist destinations in Slovenia, and both studies verify these positive relationships. Thus:

H1. Destination quality is positively related to perceived value.

H2. Destination quality is positively related to satisfaction.

H3. Destination quality is positively related to destination loyalty.

Tourists evaluate their experience base on price, benefits, time, and effort, which constitute the major factors in determining satisfaction and loyalty intention (Yoon & Uysal, 2005). Empirical research has also shown that perceived value is a positive predictor of customer satisfaction and behavioural intentions (Cronin *et al.*, 2000). In the tourism context, several studies have also confirmed that perceived value has a positive effect on customer satisfaction and tourist loyalty (e.g. Chen & Chen, 2010; Gallarza & Gil Saura, 2006; Hutchinson *et al.*, 2009; Žabkar *et al.*, 2010). Thus:

H4. Perceived value is positively related to satisfaction.

H5. Perceived value is positively related to destination loyalty.

Satisfied customers tend to re-purchase and recommend a brand to others (Oliver, 1999). Similarly, satisfied tourists were more likely to return to the holiday destination, and to recommend to their network of friends (Hutchinson *et al.*, 2009). Prior research has established that satisfaction leads positively to loyalty in tourism context (e.g. Chi & Qu, 2008; Lee, Jeon, & Kim, 2011; Yoon & Uysal, 2005). Thus:

H6. Satisfaction is positively to destination loyalty.

[Figure 1 about here]

2. Method

2.1. Sample and data collection

The data were collected through a survey in collaboration with a Chinese tour operator specializing in organizing package tours to Britain. This is because the vast majority of Chinese tourists arrange their overseas holidays by joining a package tour organised through a travel agencies (European Commission Tourism Business Portal, 2014). After completing their visit to Britain, the company's tour guides first obtained agreement from their customers to participate in this research, then handed out the questionnaires on board their return flights to China, and collected responses one hour before landing. Questionnaires were in Chinese. The survey took place in summer 2013. According to Kau and Lim (2005), collecting questionnaires on board is the best way for measuring tourist satisfaction as they had just completed their visit to the destination. A total of 275 valid responses were received out of 300 questionnaires distributed, a response rate of 91.7%. The sample was sufficient to generalise findings to the Chinese tourist population.

2.2. Construct measures

In order to generate the destination quality items that are most relevant to the Chinese tourists, we first developed a list of candidate destination attributes based on the literature and discussed them with a panel of three tour guides from a travel agency that specialises in organising Chinese package tour to Britain. We thus adopt the SERVPERF approach and apply it in defining destination quality as a tourist's post-visit cognitive assessment of the performance of key destination attributes. As a result, 11 items were selected (see Table 2). Respondents were asked to rate an attributes' performance from 0 to 10, where 0 = extremely poor, and 10 = extremely good. Perceived value was measured by a single item that "Overall,

comparing what I get and what I have paid, my tour in Britain was...”, anchored on a seven point Likert scale, from 1 (very low value) to 7 (very high value). Satisfaction was also measured by a single item: “Overall, how satisfied are you with your trip to Britain?” anchored on a seven point Likert scale from 1 (totally unsatisfied) to 7 (very satisfied). Destination loyalty was treated as a reflective construct, and measured by three items (intention to revisit, willingness to recommend, and willingness to extend stay) adapted from Nadeau, Heslop, O’Reilly, and Luk (2008), which were also anchored on a seven point Likert scale. The justification for simplifying measurement items and the use of single items in marketing research were proposed by Rossiter (2002) who argues that it is simpler, clearer and more efficient; avoids response fatigue and generates better co-operation from respondents. The questionnaire also asked respondents for additional information such as the number of times that they have visited Britain, length of stay, and basic demographic variables such as age, gender, education and income.

2.3. Data analysis

Partial least square structural equation modelling (PLS-SEM) using SmartPLS 2.0 (Ringle, Wende, & Will, 2005) was adopted to analyse the data. PLS-SEM is a component-based SEM technique that does not hold the assumption of distributional normality and is robust with fewer identification issues (Hair, Ringle, & Sarstedt, 2011). According to Hair et al. (2011), PLS-SEM is particularly suitable for identifying key “driver” constructs and for research models that integrate both formative and reflective indicators, and both multiple and single item measures. Furthermore, this technique makes little demand on measurement scales and is able to work with both large and small samples (Hair et al., 2011).

3. Results

3.1. Sample profile

Table 1 shows the profile of the sample. Most respondents were young or middle aged (76% of them were less than 50 years old). The gender mix is somewhat skewed to male (62% were male). Most of the respondents were highly educated, with 86% of the sample having a degree or higher level of education. Their annual income varied widely and averaged CNY133,600 (s.d.= 210,870), typical of the newly emerged middle class income in China who are also the profile of Chinese travellers abroad. The majority of the respondents visited Britain for the first time (76%), and stayed for 14 days or less (76%). This profile matches the description of the vast majority of Chinese outbound tourists as published in the European Commission Tourism Business Portal (2014).

[Table 1 about here]

3.2. Measurement model

Destination quality was treated as a formative construct that consisted of 11 indicators, following Diamantopoulos and Winklhofer (2001) and Žabkar *et al.* (2010) and panel interviews. Each indicator's weight (relative importance) and loading (absolute importance) are reported with their respective t-value by using bootstrapping with 5,000 samples, and the number of cases is equal to the number of observations in the original sample (275), following Hair *et al.* (2011) advice. The results show that not all of the weights are significant, but all the loadings are. Therefore, all items were retained in the model for further analysis (detailed statistics are shown in Table 2). Following the criteria set by Hair *et al.* (2011), the

results of the PLS measurement model indicate a high level internal consistency reliability (both Composite Reliability and Cronbach's Alpha values are higher than 0.70), indicator reliability (indicator loadings are higher than 0.70), convergent validity (Average Variance Extracted is higher than 0.50).

[Table 2 about here]

3.3. Structural model

The results of the parameter estimation in the structural model provide empirical support for the theoretical model as hypothesised (see Table 3). Sixty percent of the variance in satisfaction is explained by destination quality and perceived value, 72% of the variance in behavioural intentions is explained by quality, perceived value and satisfaction, and 24% of the variance in perceived value is explained by destination quality.

[Table 3 about here]

As expected, destination quality was positively related to perceived value ($\beta=0.49$, $t=10.35$; H1 was supported) and to satisfaction ($\beta=0.23$, $t=3.02$, H2 was supported). Although its direct influence on destination loyalty (H3) was rather weak ($\beta=0.11$, $t=1.78$), the total effect of destination quality on destination loyalty was significant ($\beta=0.54$, $t=11.09$), suggesting an indirect effect through the mediation of perceived value and satisfaction. Furthermore, the effect of destination quality on satisfaction was partially mediated by perceived value (total effect: $\beta=0.54$, $t=11.54$). Perceived value was positively related to satisfaction ($\beta=0.64$, $t=6.62$; H4 was supported), and to destination loyalty ($\beta=0.46$, $t=5.62$; H5 was supported). Finally, satisfaction was positively related to destination loyalty ($\beta=0.38$, $t=5.24$; H6 was supported). The results of total effect ($\beta=0.70$, $t=8.17$) suggest that the

relationship between perceived value on behaviour intention was partially mediated by satisfaction.

3.4. Destination attribute importance versus performance analysis

Destination attribute performance ratings are presented along with the importance weight obtained from PLS-SEM analysis in Table 4. The weight of each attribute's importance is listed in descending order. The average performance rating of destination attributes is 8.36 out of 10, which suggests that Chinese tourists are highly satisfied with their experience of Britain. The best performing attribute is nature and natural scenery, followed by architecture. Attributes that perform above the average rating are: hygiene, safety, heritage sites, friendliness of residents and service level. Attributes that perform less well than the above are: shopping and accommodation, entertainment and night life, and food and drink.

[Table 4 about here]

Given that all the 11 attributes were deemed highly important based on literature review and panel interview, we organise them into two categories according to their respective performance rating and in the order of management priority based on each attribute's importance weight:

1. Keep up the good work (performance is higher than average rating): Nature and natural scenery, heritage sites, service level, safety and hygiene, architecture, and friendliness of residents.
2. Concentrate here (performance is lower than average rating): shopping, food and drink, accommodation, entertainment and night life.

Discussion and conclusions

The main purpose of this study is to examine Chinese tourists' experience of visiting Britain. This is one of the first studies researching Chinese tourists visiting a European destination. The empirical data revealed the level of Chinese tourist satisfaction with 11 destination quality attributes, and PLS-SEM analysis verified the conceptual relationships between quality, perceived value, overall satisfaction and destination loyalty. The importance and performance analysis of the destination quality attributes provides several practical recommendations to improve Chinese tourist satisfaction and loyalty.

There are two key challenges for British destination tourism managers as shown in our results: a) to keep up with the good work; and b) to concentrate on improving attributes with low performance ratings. Our findings suggest that nature and natural scenery, architecture, heritage sites, safety and hygiene, service level, and friendliness of residents in the UK are highly important for Chinese tourist satisfaction, and the performance of these attributes is also high, which leads good perceived value, overall satisfaction and destination loyalty. The findings are consistent with those reported in the extant literature on the motivations of Chinese outbound tourists (e.g. Mohsin, 2008; Sparks & Pan, 2009; Wong & Lau, 2001; Xu *et al.*, 2010; Yu & Weiler, 2001). Most destinations in the European-Mediterranean region share similar attributes and resources with Britain, such as beautiful scenery, abundant heritage sites, unique architecture and clean built environment, as well as friendly residents. Although the degree of customer service level and safety vary between destinations (Pearce *et al.*, 2013), generally they are good. The challenge is then to 'keep up with the good work' by: a) conserving the natural and built environment, b) protecting safety for tourists, c) maintaining high level of service, and c) highlighting these strengths in the marketing communications campaigns to attract and serve more visitors from China. Currently Chinese tourists' major channel of communicating tourism information is the Internet, and messages

and posts from their friends via WeChat, the Chinese mobile application equivalent of Facebook and Whatsapp combined. European destination marketers will need to launch their own WeChat account using Chinese language to reach and communicate with Chinese tourists. The use of Chinese social media applications can be particularly influential, as Chinese tourist decision making is shaped more by friends' opinions in social media than information disseminated via mass media (Sparks & Pan, 2009). Meeting the challenges of 'keeping up with the work' will require a close collaboration among different destination organisations both public and private to work together to achieve the optimal outcome.

The more immediate and pressing challenge for British destination managers is to seek improvements on the low performing attributes shown in this study: shopping, food and drink, accommodation, entertainment and night life. All these attributes seem to be more associated with cultural differences than actual poor performance from a Western perspective. The hospitality industries in Britain and Europe will need to invest on more understanding and catering to the Chinese customers' requirements which are culturally-specific (Sun et al., 2015). The good news is that several British hospitality companies are beginning to adapt their service provisions to accommodate Chinese tourists. For example, The Ritz Hotel accepts China's largest payments card scheme, China UnionPay, and hires Mandarin speaking receptionists.

Shopping: Chinese tourists need to buy local gift products with well-known brands for their 'guanxi' network of friends and relatives (Guo et al., 2007). They have positive image of the quality of Western products and perceive the price to be lower than the same product that has been imported and sold at home (Xu & McGehee, 2012). Our findings seem to support Xu and McGehee's findings that Chinese outbound tourists have more positive shopping experiences in the United States than European destinations. Tourist shopping contributes positively to a destination's economy; hence this challenge is also a valuable

opportunity for destinations that wish to attract Chinese tourists. European destination tourism managers could do more to make shopping more accessible to Chinese tourists.

Food and drink: Chinese cannot do without Chinese food, despite being eager to try Western and different cultures' foods for novelty or intellectual curiosity (Mohsin, 2008; Wong & Lau, 2001; Xu *et al.*, 2010). Particularly, they require hot food with rice, cooked vegetables, fresh fruits, and hot drinking water to make tea themselves, instead of having cold dishes and drinks (Li *et al.*, 2011).

Accommodations: In comparison with shopping, the destination attribute of hotel and accommodations is of lesser importance to Chinese tourists, and thus they normally allocate relatively lower budget for accommodations, considering the Confucian virtue of frugality, and they expect hotels to provide similar "standard amenities" for free, such as Wi-Fi, hot drinking water, toothpaste and toothbrushes, and slippers, etc. (Li *et al.*, 2011). Other simple measures of adaption that could greatly increase customer satisfaction include brochures and hotel information in Chinese language, television with access to Chinese channels and phone calls to China at reasonable prices (European Commission Tourism Business Portal, 2014).

Entertainment and night activities: Chinese tourists desire a variety of night entertainment activities, particularly local cultural activities, and those that are not available in China. Particularly for young people, local night life such as gambling, shows and parties are exciting activities that they would love to explore (Li *et al.*, 2011).

The study has several limitations which introduce further research directions. Our sample was drawn from the package tour segment of the market. It would be beneficial to extend this research to reach the sample of independent travellers. Further research could compare the cultural differences experienced by the Chinese tourists and other cultural groups. Finally, this study has restricted its focus to measuring destination quality and tourists' cognitive

evaluation of destination attributes. Future research could examine the memorable elements of a tourist experience or the affective aspect of tourist experiences which would provide additional insights.

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Table 1. Sample profile

	Frequency	Percentage (%)
<i>Age</i>		
Below 20	5	1.8
20-29	50	18.2
30 to 39	86	31.4
40 to 49	67	24.5
50 to 59	51	18.6
60 and over	15	5.5
<i>Gender</i>		
Male	171	62.2
Female	104	37.8
<i>Education</i>		
Below secondary school	2	0.7
Secondary school	34	12.4
Bachelor degree	173	62.9
Postgraduate degree and above	66	24.0
<i>Annual Income (CNY10,000)</i>		
Less than 5	28	10.3
5-10	147	54.0
11-15	42	15.4
16-20	30	11.0
21-25	6	2.2
26 and above	19	7.0
<i>First Time Visit</i>		
Yes	208	75.9
No	67	24.1
<i>Visit Duration (days)</i>		
1-7	82	29.9
8-14	125	45.6
15-21	46	16.8
22 and more	21	7.7

Table 2. Measurement model results

Construct/Indicator	Weight	<i>t</i> -value	Loading	<i>t</i> -value	CR	AVE	α
Destination quality (Formative)							
Nature and natural scenery	0.31	2.43**	0.70	10.43***	NA	NA	NA
Architecture	-0.19	0.98	0.71	8.6***			
Heritage sites	0.36	2.61***	0.80	13.73***			
Food and drink	0.08	0.72	0.66	11.76***			
Accommodation	0.01	0.09	0.68	9.58***			
Shopping	0.14	0.91	0.71	9.94***			
Entertainment & night life	0.09	1.07	0.65	11.07***			
Service level	0.26	1.82*	0.75	11.84***			
Friendliness of residents	-0.17	1.19	0.71	10.28***			
Safety	0.25	1.65*	0.77	13.38***			
Hygiene	0.18	1.10	0.80	13.18***			
Destination loyalty (Reflective)							
Revisit			0.94	63.41***	0.96	0.88	0.93
Recommendation			0.94	58.94***			
Extend stay			0.94	49.46***			

* $p < .10$, ** $p < .05$, *** $p < .01$; CR=Composite Reliability; AVE=average variance extracted; Scale for items measuring 'Destination Quality': 0=extremely poor, 10=excellent; scales for measuring 'Perceived Value', 'Satisfaction', and 'Behavioural Intention': 1=strongly disagree, 7=strongly agree.

Table 3. Results of structural model

Hypothesis	Direct Effect			Total Effect	
	β	<i>t</i> -value	Support?	β	<i>t</i> -value
H1 Destination quality -> Satisfaction	0.23	3.02***	Yes	0.54	11.54***
H2 Destination quality -> Value	0.49	10.35***	Yes		
H3 Destination quality -> Destination loyalty	0.11	1.78*	Yes	0.54	11.09***
H4 Value -> Satisfaction	0.64	6.62***	Yes		
H5 Value -> Destination loyalty	0.46	5.62***	Yes	0.70	8.17***
H6 Satisfaction -> destination loyalty	0.38	5.24***	Yes		

R^2 values for satisfaction =0.60, for perceived value =0.24, for behavioural intention =0.72.

Table 4. Destination attribute importance and performance

	Importance	Performance	
Nature and natural scenery	0.31	9.01	H
Heritage sites	0.36	8.56	H
Service level	0.26	8.49	H
Safety	0.25	8.61	H
Hygiene	0.18	8.81	H
Shopping	0.14	8.07	L
Entertainment & night life	0.09	7.72	L
Food and drink	0.08	7.33	L
Accommodation	0.01	7.89	L
Friendliness of residents	-0.17	8.53	H
Architecture	-0.19	8.89	H
<i>Average</i>	<i>0.12</i>	<i>8.36</i>	

Note: H: High, L: Low

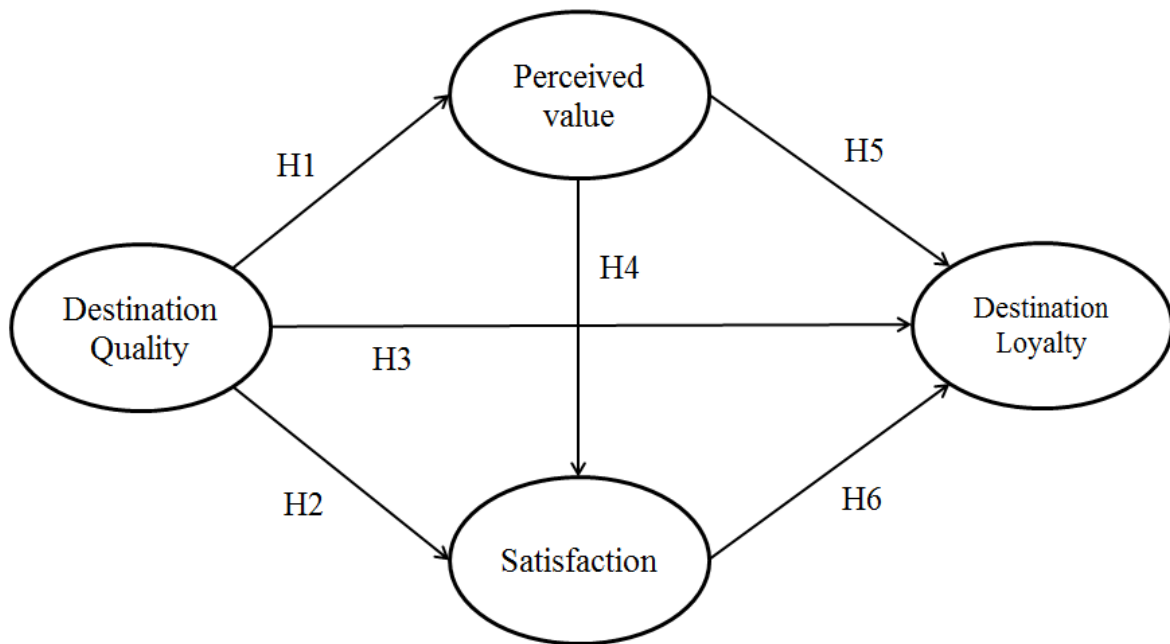


Figure 1 Conceptual model