Assessing destination brand equity: An integrated approach

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Abstract

Commonly, when referring to destination brand equity, four dimensions are taken into consideration; namely awareness, image, quality and loyalty. Building on product and corporate brand equity and the definition of destination branding, the present paper includes a marketing approach towards developing a structural model incorporating a fifth dimension; that of cultural brand assets. The proposed model, focused on cultural urban destinations, was tested from the perspective of international tourists visiting Rome. Findings indicate that the five dimensions are interrelated and important for the customers’ evaluation of a cultural destination. Consistent with place and destination branding literature, the significance of specific cultural brand assets is emphasized. The study provides practitioners with a better understanding of the dimensions which may lead to favorable brand evaluations. Finally, it describes the structural relationships which are developed between assets, awareness, associations and quality, and links them with the intention to re-visit and recommend as outcomes leading to destination loyalty.

Keywords: Brand equity, destination branding, culture, model, Rome

1. Introduction

Research in the field of destination brand equity mainly builds upon works on corporate and product brand equity (e.g. Aaker, 1991; Cobb-Walgren, Ruble & Donthu, 1995; Keller, 1993; Yoo & Donthu, 2001; Yoo & Donthu, 2002; Yoo, Donthu & Lee, 2000). According to Aaker’s seminal work (1991), brand equity measures are classified into five dimensions: awareness, associations/image, perceived quality, loyalty and brand assets. In the destination brand equity context, the first four dimensions are included in the respective models. In this context, awareness refers to destination name and characteristics, and associations/image to perceived value and personality. Perceived quality is connected to organizational aspects, and loyalty to revisitation and recommendation (e.g. Boo, Busser & Baloglu, 2009). On the other hand, Pike (2007) argues that the assets dimension, which is mentioned mostly in relation to the financial measure of destination brands, is of little practical value with only few exceptions of licensing opportunities (i.e. ‘I ♥ NY’). Yet, competitive advantage and competitiveness, which are both also connected to other proprietary brand assets (Aaker, 1991), have attracted some research attention (Mechinda, Serirat, Popaijit, Lertwannawit & Anuwichanont, 2010; Pike, Bianchi, Kerr & Patti, 2010; Yüksel & Yüksel, 2001).

In corporate and product branding, a brand is defined as ‘a product or service made distinctive by its positioning relative to the competition and by its personality, which comprises a unique combination of functional attributes and symbolic values’ (Hankinson & Cowking, 1993, p. 10). Destination branding, according to Blain, Levy, and Ritchie (2005, p. 337), is ‘the set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily identifies and differentiates a destination; (2) consistently convey the expectation of a memorable travel experience that is uniquely associated with the destination; (3) serve to consolidate and reinforce the emotional connection between the visitor and the destination; and (4) reduce consumer search costs and perceived risk’. Taking into account these definitions as well as how brand assets are recognized and measured (Farquhar, Han & Ijiri, 1991), the present study argues that a marketing perspective could assist Destination Management Organizations (DMOs) to go one
step closer to, and benefit from, the identification of their cultural brand assets. In fact, the main interest hereby focuses on cultural destination brands, which refer to the convergence of the dimensions of tourism, culture and heritage of the place brand hexagon (Anholt, 2004). Focusing on cultural destination brands, specific cultural assets have in the past been investigated, either in terms of their impact on brand equity or on a specific brand equity dimension. For instance, such has been the case of investigating the impact of events on brand equity in general (Dimanche, 2002) and on image in particular (Richards & Wilson, 2004). Yet, so far no study has built on tourists’ evaluations of various cultural assets. Addressing this gap, the present study follows a customer-based approach to help DMOs recognize which assets are regarded as unique and, thus, constitute the cultural brand assets of a cultural destination. In detail, DMOs, in their effort to build cultural destination brands, keep on investing in various cultural assets. However, respective stakeholders usually do not have a clear view of which cultural assets are actually important cultural brand assets and, thus, contribute to their branding efforts. The present study attempts to address this need. The hereby exploratory approach to cultural brand assets does not go as far as defining their market values, but is limited to cultural assets that may contribute to the creation of a competitive advantage. This is achieved by recognizing the cultural brand assets that are perceived as unique; an aspect compatible with the definition of branding and brand assets. Letting tourists themselves evaluate those cultural brand assets which make the destination unique, as well as investigate all five brand equity dimensions, is believed to be an important development that provides evidence on those cultural brand assets which have a direct impact on brand equity.

The study provides a first approach more in line with all five brand equity dimensions (namely assets, awareness, association, quality and loyalty). On the other hand, literature on destination brand equity is not characterized only by limited research on the importance of the assets dimension. The literature review, in fact, reveals a respective limited effort in describing the structural relations developed between brand equity dimensions (e.g. Boo et al., 2009; Ferns & Walls, 2012; Konecnik & Ruzzier, 2008). Consequently, the present study, seeking to take previous research (e.g. Boo et al., 2009; Konecnik & Gartner, 2007) to the next level, tests a more complete brand equity model in the case of a cultural destination. To be exact, the study wants to apply and extend the concept of brand equity to destination brand measurement using an integrated modeling approach. The first objective refers to developing a valid and reliable model for assessing the evaluation of cultural destination brands. The model, which is developed during this process, then seeks to empirically test the relationships among brand equity dimensions when the assets dimension is added. Finally, the study aims at validating the model structure. In order to reach the research objectives, a multidimensional approach to brand equity is followed.

This study provides a five-dimensional model useful for evaluating destination brands and describes the path structure among brand equity dimensions. Some of these paths have been verified in the cases of different destination categories (e.g. Boo et al., 2009). Yet, findings suggest that these paths need to be further enriched. The detailed description of the model provides significant input both for academics and practitioners. Finally, implications spur additional research which will make destination brand equity more easily comprehended and applied by destination stakeholders.

2. Destination brands: Assessing the role of culture

The importance of culture has been repeatedly stressed in destination branding literature (e.g. ATLAS, 2007; Buhalís, 2000), whereas branding a destination is defined as ‘the process used to develop a unique identity and personality that is different from all competitive
destinations’ (Morrison & Anderson, 2002, p. 17). Arzeni (2009, p. 3) further argues that ‘creating a strong relationship between tourism and culture can help destinations become more attractive and competitive’. Cultural destination brands have been particularly popular among tourism practitioners and academicians (e.g. Buhalis, 2000; ONTIT, 2012). Besides, emphasis on heritage and cultural assets is believed to ‘have the potential to be developed into a special niche in the industry’ (Apostolakis, 2003, p. 796).

2.1 Rome as a cultural destination

According to Baloglu and Mangaloglu (2001), the Italian image is first and foremost connected to culinary associations referring to food, cuisine, pasta and wine. Italy is also recognizable for its historic images and ancient ruins, while it is described as memorable, magnificent, beautiful, majestic and magical, as well as fascinating, exciting, stimulating, exotic, colorful and attractive (Baloglu & Mangaloglu, 2001). In general, it seems that Italy in the beginning of the 21st century was perceived to provide more ‘quality’ experience than three of its competitors; namely Egypt, Greece and Turkey. Considering the contribution of ‘cities of art’ (le città d’arte), as also summarized by the National Observatory for Tourism (ONTIT, 2012), tourism authorities’ efforts should target cultural tourism (Ministry of Tourism and Sport, 2012).

The Italian capital, Rome, is selected as the destination brand to be studied, following Leuthesser, Kohli, and Harich’s (1995) recommendation, according to which it is preferable to choose and analyze brands that are sufficiently well-known to the consumer. Rome, together with London and Paris, is considered to be among the most attractive cities (van der Ark & Richards, 2006), as part of the art of the Roman culture is represented by its architecture and remains from the antiquity (e.g. the Coliseum). Other representations of the Roman culture are also connected to its significance in European History. Saint Peter’s Basilica is an example of Rome’s importance for one of the main religions worldwide, while other parts are also linked to Italy’s national past (e.g. the National Monument to Victor Emmanuel II). All these monuments and heritage sites reflect Rome’s influence on the known world’s developments over the past 2,500 years. This heritage continues to attract people from all over the world, reinforcing its long-standing reputation as the Eternal City (Visdeloup, 2010), and justifies the historic center of Rome having been listed as a World Heritage Site (UNESCO, 1990).

Historical edifices are essential ingredients of Rome’s identity, image, and attractiveness; for instance, the Coliseum and the Vatican Museums attract millions of tourists annually and are some of the main competitive characteristics of Rome. It is, however, considered necessary to point out that visitability rates are not available for other open sites, such as the Fontana di Trevi (i.e. Trevi Fountain). Such open sites, together with a variety of events and festivals as well as the city’s overall atmosphere, may contribute to Vacanze Romane (i.e. Roman Holiday). Looking at the financial side of this picture, it is considered that for ‘every euro spent on a festival there’s a return of 7-8 euro and an economic impact equal to 7 times the investment made’ (Maussier, 2010, p. 19). Moreover, Rome, having realized quite early the significance and possible contribution of events such as the Olympic Games, hosted them in 1960. In fact, and in order to once again promote its heritage, some of the events were held in venues rich with ancient history (Olympic Games, 2012).

2.2 Brand Equity

Aaker (1991, p.15) defines brand equity as ‘a set of brand assets and liabilities linked to a brand, its name, and symbol, which add to or subtract from the value provided by a producer,
by a product or service to a firm and/or to that firm’s customers’. The concept of consumer-based brand equity proposed by Aaker (1991, 1996) and Keller (1993, 2003) offers destination marketers a potential performance measure of the extent to which brand identity has successfully been positioned in the market (Pike et al., 2010). Yet, in destination branding, only in a few cases is a comprehensive model being tested (Boo et al., 2009; Konecnik & Gartner, 2007). The literature review helped identify the dimensions of destination brand equity and select the most appropriate way to measure each variable in relation to the dimensions proposed by Aaker (1991). Then, in order to investigate the structural relationships between the brand equity dimensions in a tourism content, Boo’s et al. (2009) model has played a fundamental role.

Despite some limited efforts (e.g. Dimanche, 2002), the assets dimension is usually not integrated in the destination brand equity models (e.g. Boo et al., 2009; Konecnik & Ruzzier, 2008). The reason lies with corporate and product branding because, when referring to products, the measurement of brand equity is by way of an intangible balance sheet asset (Pike, 2010, p.128), which includes future financial performance (Kim, Kim & An, 2003) and market share (Mackay, 2001). Nevertheless, when interest focuses on urban destinations, different representations of the city culture (e.g. Evans, 2003) could contribute to increased attractiveness and competitiveness (Apostolakis, 2003; Arzeni, 2009). Moreover, given the impact of cultural assets, such as events, on positioning (Dimanche, 2002), cultural assets may also be seen as brand assets. Consequently, specific cultural representations are potential cultural brand assets if they are the reason why tourists perceive a destination as unique. Cultural tourism and destination branding literature lead to the recognition of specific cultural assets, which tourists may evaluate as significant cultural brand assets. These assets refer to monuments/heritage sites, events, street culture, cuisine, traditions, contribution to world heritage, entertainment/nightlife options, cultural festivals, museums, art centers (ATLAS, 2007; Dimanche, 2002; Evans, 2003; Grodach, 2008; Konecnik & Gartner, 2007; McKercher, Sze Mel & Tse, 2006; Prentice, 1994; Trueman, Klemm & Giroud, 2004; van der Ark & Richards, 2006).

Proceeding to the analysis of the four dimensions other than cultural brand assets, awareness is a main component of a brand’s effect on hospitality and tourism (Kim & Kim, 2005; Lee & Back, 2008). Awareness also represents the strength of the brand’s presence in the mind of the target audience along a continuum (Aaker, 1996). In order to assess awareness in destination branding, scholars mostly consider items connected to the destination selection process (Boo et al., 2009; Motameni & Shahrokhi, 1998; Yoo & Donthu, 2001). Another important brand equity dimension refers to brand associations (Aaker, 1991) as they reflect consumers’ perceptions (Keller, 1993). Brand associations also include brand image which incorporates perceptions of values, quality, feelings and brand personality (de Chernatony & Dall’Olmo Riley, 1998; Hosany, Ekinci & Uysal, 2006; Kapferer, 1997; Phau & Lau, 2002; Sirgy & Su, 2000). Other associations, which this study takes into consideration, are those deemed important for a cultural destination, such as authenticity, hospitality, and exoticness (Ambler et al., 2002; Boo et al., 2009; Buhalis, 2000; Dodds, Monroe & Grewal, 1991; Iversen & Hem, 2008; Lassar, Mittal & Sharma, 1995; Sweeney & Soutar, 2001). Brand quality is often identified as a significant dimension of brand equity (Aaker, 1996; Keller, 2003; Lassar et al., 1995). In discussing an urban destination brand, organization, atmosphere and quality experiences also need to be put in the scope (Aaker, 1991; Sweeney & Soutar, 2001; Boo et al., 2009; ATLAS, 2007). Brand loyalty, as a brand equity dimension, has been defined as the attachment a customer has to a brand (Aaker, 1991) and has been recognized as the main source of customer-based brand equity (Keller, 2003). Furthermore, in tourism and hospitality, Back and Parks (2003) note that loyalty has been considered as a consequence of multi-dimensional cognitive attitudes toward a specific brand. Therefore, loyalty is
commonly investigated in terms of repeat visits and recommendation. This study also assesses loyalty by evaluating attitudinal and behavioral elements (Aaker, 1991; Boo et al., 2009; Keller, 2003; Odin, Odin & Valette-Florence, 2001; Yoo & Donthu, 2001).

To sum up, previous findings in destination brand equity have provided background for four brand equity dimensions; namely awareness, associations (image), quality, and loyalty (e.g. Boo et al., 2009; Konecnik & Ruzzier, 2008). Konecnik and Ruzzier (2008), in discussing customer-based brand equity, point out that it is positively related to each one of the aforementioned four brand equity dimensions as they are perceived by tourists. Moreover, the aforementioned discussion on cultural brand assets revealed how all five dimensions can be assessed in the case of cultural destinations. Given the exploratory character of the suggested five-dimensional model structure, the need to incorporate all five dimensions into the brand equity model arises. Therefore, we derive five sub-hypotheses under hypothesis H1.

**Hypothesis 1: Brand equity dimensions have a positive impact on the cultural destination brand equity construct**

H1a: Cultural brand assets (AST), which are recognized as unique, have a positive impact on brand equity

H1b: Awareness of the cultural destination brand (AWA) has a positive impact on brand equity

H1c: Positive associations (ASS) about the cultural destination brand have a positive impact on brand equity

H1d: Quality of the cultural destination brand (QUA) has a positive impact on brand equity

H1e: Loyalty (LOY) has a positive impact on brand equity

At this point, focusing on the first two dimensions (i.e. assets and awareness) shows a structural relationship among them. To be precise, unique assets influence familiarity and, therefore, may attract more tourists (e.g. Horng, Liu, Chou & Tsai, 2011). Moreover, well-known assets may also contribute to consumers’ ability to recall and recognize the brand (Ferns & Walls, 2012). At the same time, cultural assets (e.g. festivals) can lead to improved awareness and assist in updating their role as a sustainable tourism product (Dimanche, 2002; Evans, 2003; McKercher et al., 2006). Consequently, unique assets are believed to have an impact on awareness. Therefore, in order to assess this relationship in a cultural destination, the second research hypothesis is identified under H2:

**H2: Cultural brand assets (AST) have a positive impact on brand awareness (AWA)**

According to the path model suggested by Boo et al. (2009), associations and quality form an alternative construct, namely brand experience. Boo’s et al. (2009) model described the influence of awareness on experience - that is, on associations and quality. Thus, two more hypotheses (H3-4) need to be investigated in the case of a cultural destination:

**H3: Brand awareness (AWA) has a positive impact on brand associations (ASS)**

**H4: Brand awareness (AWA) has a positive impact on brand quality (QUA)**

Boo’s et al. (2009) path model investigates the impact of experience (i.e. the dimensions of associations and quality) on loyalty. Zins (2001) has also suggested that image has an influence on loyalty. In addition, a positive relationship between perceived quality and loyalty has been identified (Jayanti & Ghosh, 1996). Therefore, in the case of Rome as a cultural destination, the conceptual model (Figure 1) needs to be linked with two more distinct hypotheses (H5-H6):


**H5:** Brand associations (ASS) have a positive impact on brand loyalty (LOY)

**H6:** Brand quality (QUA) has a positive impact on brand loyalty (LOY)

### FIGURE 1 AROUND HERE.

#### 3. Research goal, instrument and sample

Due to differences between place and corporate branding (Kavaratzis & Ashworth, 2005), destination brand equity models disregard the assets dimension and focus on one or more of the remaining four. In line with the literature review presented, this study seeks to simultaneously assess all five brand equity dimensions in the case of a cultural destination. Moreover, the study aims at providing an insight into the structural relationships developed between the five brand equity dimensions. To reach the research goal, it is necessary to examine the contribution of all five dimensions to brand equity. Specifically, the study model refers to all five brand equity dimensions and their impact on brand equity as a second-level factor. The study goes one step further and investigates the structural relationships (Figure 1) which are developed between assets, awareness, associations, quality and loyalty.

Boo's et al. (2009) scale was the basis of the scale used in this study in order to assess the dimensions of awareness, associations, quality and loyalty. This scale was also compared to Aaker’s brand equity scale (1991) for corporate and product brands. Aaker’s scale together with a review of the literature referring to cultural tourism marketing (e.g. ATLAS, 2007; Buhalís, 2000; Evans, 2003; McKercher et al., 2006) have provided guidance on which cultural brand assets should be included in the final scale. The literature review on destination brand equity led to some additional minor verbal modifications to the complete scale in order to better reflect the evaluation of a cultural destination. Discussions with academics, involved in the fields of marketing, cultural tourism and cultural studies, provided verification grounds for the final scale, which was then put forward for pilot testing. Tourists evaluated specific items of the five brand equity dimensions using a 5-point Likert scale, without experiencing any conceptual or verbal difficulties. Following the analysis and examination of the replies, the questionnaire was deemed satisfactory and ready for full implementation. The 31 items included in the final questionnaire are presented in Table 1. The items in the reference column were taken from studies focusing on cultural destinations and modified. The study instrument was developed in English, and then translated and back-translated into Greek, Russian, Spanish, Italian, French and German by bilingual experts fluent in both English and each of the other target languages (Brislin, 1976). Translation was considered useful in order to facilitate non-native English speakers. Yet, more than 80% of the sample preferred answering the English version. This preference for the English version appears to be normal, given that no more than 30% of the tourists were Greek, Russian, Spanish, Italian, French or German nationals. The series of factor analyses described in the results section below resulted in the model items being reduced to 18.

### TABLE 1 AROUND HERE.

The study subjects were international tourists visiting Rome in 2011. Random sampling was selected as the most appropriate method. An extended network of stakeholders was needed to support the research in order to gain access to different tourist segments. This approach is further supported by the fact that tourists in Rome do not only prefer visiting built heritage, like the Coliseum or the Vatican museums, but also visit open spaces. Therefore, the respective tourism authorities were contacted and, with their contribution, a pool of tourist
guides and hotels was formed. The support of a major airline carrier facilitated the process further by providing access to travelers departing from Rome. Finally, the sample included tourists who were approached within the Vatican City or were using the services provided by a major travel agency (i.e. Opera Romana Pellegrinaggi). In total, 450 questionnaires were distributed in 2011. Subsequent analysis regarding normality led to a final response rate of 95.26% (382 usable questionnaires out of 401 collected ones).

4. Results

4.1 Respondents’ profile

The majority of the respondents were in their 30s (24.7%) and 20s (20.4%), although a large percentage (23.7%) was younger, namely between 16 and 19 years old. An overrepresentation of women (59.1%) was observed as well. Moreover, the majority had an income higher than 60,001 euro (40.6%), while the income of 36.1% of the respondents was between 40,000 and 60,000 euro. Most respondents had not visited Rome before (54.2%), were on holidays (80.6%) and identified some cultural motive (96.9%). An additional cultural motive identified by 3.1% of the respondents was pilgrimage. However, this small percentage reveals that, for the vast majority of the sample - including Vatican visitors - the primary cultural motive was not religion. In line with the actual visitors’ demographics, the majority of the respondents were U.S. citizens, German, British and French (16.9%, 10.7%, 10.5% and 3.7% respectively).

4.2 Examining data, validity and reliability

Only questionnaires which were correctly completed and with moderate levels of missing data (Boo et al., 2009) were included in the final analysis. To be exact, in case more than 90% of a questionnaire was left incomplete, that questionnaire was not used in the analysis. Consequently, it could be assumed that missing data would be at random, thereby substituting the mean values for missing values (Byrne, 2001; Tabachinick & Fidell, 2001). Besides, Maximum Likelihood Estimation would reduce bias even if the condition of missing at random was not completely satisfied (Little & Rubin, 2002). A preliminary analysis of the collected questionnaires also included testing for normality. Standard deviations did not reveal high variation, while skewness and kurtosis values for the variables included in the study were satisfactory, indicating a normal distribution (West, Finch & Curran, 1995).

Given that the cultural brand assets dimension has been just incorporated in the destination brand equity model, an exploratory factor analysis (EFA) had to be performed. The EFA was performed with the method of principal components and assuming oblique rotation (Oblimin with Kaiser Normalisation). In social sciences, we generally expect some correlation among factors, since behaviour is rarely partitioned into packaged units that function independently of one another (Costello & Osborne, 2005). Previous findings (e.g. Konecnik & Ruzzier, 2008) concerning specific destination brand equity dimensions further strengthen this argument. Therefore, in order to handle this complexity, oblique rotation, despite its output being slightly more complex than orthogonal rotation output, has been preferred. The EFA results suggested exactly the number of factors included in the Brand Equity theory (Aaker, 1991; Konecnik & Ruzzier, 2008). However, several variables did not exceed the cut-off factor loading score of .4 used to screen out weak indicators (Hair, Black, Babin & Anderson, 2010). These referred to museums (Grodach, 2008), and monuments/heritage sites (ATLAS, 2007; Evans, 2003; Prentice, 1994), art centers (ATLAS, 2007; Evans, 2003), cuisine (Horng et al., 2011) and world heritage sites (Evans, 2003; Trueman et
Model optimization and low correlations with their respective dimension suggested dropping some additional items which referred to the dimension of associations. These included the following items: Rome has a personality and a rich history; Rome has an exotic atmosphere and the people are hospitable; my friends would think highly of me if I visited Rome, and this cultural destination fits my personality. Finally, in order to assure the validity of the measures, one item in brand quality; namely this experience has increased my cultural knowledge (ATLAS, 2007), was deleted due to a low correlation with its respective factor.

The proposed cultural destination brand equity scale, as tested through these 382 questionnaires, was found to be reliable and valid (see Table 2). In detail, Cronbach’s alpha values and composite construct reliabilities computed exceeded the threshold of 0.70 (Nunnally, 1978) indicating reliability and internal consistency of the constructs. For each set of indicators, the standardized factor loadings were high. This indicates sufficient convergent validity, i.e. that the indicators of a latent construct measure the same construct (Blanthorne, Jones-Faremer & Almer, 2006). Furthermore, the measure of variance extracted was found to be satisfactory (over the threshold of 0.50). Discriminant validity, which measures the degree to which two or more latent constructs measure different constructs (Blanthorne et al., 2006), can be assessed using one or more methods (Raykov & Marcoulides, 2000). According to Hair et al. (2010), discriminant validity is achieved when ASV<AVE, which was valid for all constructs.

**TABLE 2 AROUND HERE.**

### 4.3 Confirmatory factor analysis and path analysis

Confirmatory Factor Analysis (CFA) conducted in AMOS reveals positive correlations among the brand equity dimensions. To be precise, correlations ranged from .205 to .818 (Table 3) and were significant at the 99% statistical level. Since correlations did not exceed the threshold of .85 (Kline, 2005), they were not considered excessively high.

**TABLE 3 AROUND HERE**

Correlations discovered when running the CFA indicate the presence of a second-order general factor (i.e. brand equity). Subsequent second-order CFA reveals that all causal paths of the brand equity measure to the five brand equity dimensions utilized in the study were significant at the .001 probability level. Figure 2 depicts the regression weights of each brand equity dimension to the second-order brand equity factor.

**FIGURE 2 AROUND HERE.**

The investigated fit indices included the comparative fit index (CFI), the Tucker-Lewis index (TLI) and the goodness-of-fit index (GFI), all of which exceeded the suggested threshold of .90 (Table 4). Moreover, the root mean-square error of approximation (RMSEA) was less than 0.08. According to its fit indices, the second-order CFA for the brand equity model (Model 1 in Table 4) is acceptable, thus showing that the suggested five dimensions can be used to measure brand equity in the case of a cultural destination.

**TABLE 4 AROUND HERE**

Proceeding to the path analysis, a Structural Equation Modeling (SEM) approach followed in order to put the conceptual path model of Figure 1 forward for testing. Fit indices
reveal a good fit of the model (Model 2 in Table 4). Following the methodology suggested by Byrne (2001), the modification indices showed significant regression paths from AST to QUA and from ASS to QUA. Interestingly, these two paths were not included in the conceptual model, the reason being that it was decided to build on Boo’s et al. (2009) destination brand equity model which does not take these two paths into consideration. Previous research has discussed the connection between unique characteristics and quality (e.g. Dimanche, 2002; Konecnik & Gartner, 2007), or between unique image and quality (e.g. Qu, Kim & Im, 2011). Kotler, Bowen, and Makens (1996) have also established the sequence image – quality. As a consequence, the paths from AST and ASS to QUA were drawn (see Table 5) and the analysis was repeated, leading to a model with a better fit (Model 3 compared to Model 2 in Table 4). Consequently, Model 3 proved to be the best fitting model for Rome.

TABLE 5 AROUND HERE

Figure 3 below graphically represents the standardized regression weights of those paths which were found to be statistically significant at the 99% level.

FIGURE 3 AROUND HERE

Comparing Figure 3 to the conceptual model described in Figure 1, the path model suggested by Boo et al. (2009) can be applied in the case of a cultural destination. However, when Boo’s et al. (2009) model is enriched, it provides a much better fit (Table 4). For instance, both the CFA and RMSEA values of Model 3 (i.e. CFA=.949 and RMSEA=.063 which are close to .95 and .06 respectively) are indicative of good fit (Hu & Bentler, 1999). Thus, the statistical analysis of responses concerning Rome as a cultural destination has revealed the need to take into consideration some additional relationships. These relationships refer to assets having a direct impact on quality and to associations having an impact on quality. This last relationship implies that the dimension of associations influences loyalty not only directly but also indirectly, through their connection to specific quality items. These supplementary relationships have been discussed in literature, although not necessarily as parts of a complete brand equity model (e.g. Kotler et al., 1996; Qu et al., 2011).

5. Findings

At first, all correlations between the proposed dimensions were found to be positive and statistically significant. This implies the presence of a second-order factor, that of brand equity. Hence, the five brand equity dimensions, which have previously been applied in corporate and product branding, are all valid in the case of destination branding. All five brand equity dimensions have a statistically significant impact on destination brand equity. Thus, findings support the first hypothesis (H1) referring to the incorporation of cultural brand assets to the brand equity model. However, the lower loading of the assets dimension reveals that more effort is necessary in order to provide a more complete view of the items this dimension could entail. Regarding this newly incorporated assets dimension, literature takes several cultural brand assets into consideration. Yet, findings suggest that not all the suggested items should be included in the case of cultural destination brand equity. To be exact, museums, monuments/ heritage sites, art centers, cuisine and world heritage sites are not included in the assets dimension. On the other hand, the assets which should be considered refer to entertainment/ nightlife, cultural festivals, traditions, cultural events and street culture. In fact, cultural festivals and events are the most important cultural brand assets. This finding further justifies why considerable research has focused specifically on
festivals and events (ATLAS, 2007; Brown, Chalip, Jago & Mules, 2004; Dimanche, 2002; Evans, 2003; McKercher et al., 2006; Trueman et al., 2004; van der Ark & Richards, 2006). Finally, analysis reveals high factor loadings of quality and loyalty to the second-order brand equity factor, thus stressing the significance of these two dimensions (i.e. quality and loyalty).

Path analysis confirms the conceptual path model, which has been adapted from previous seminal works (Boo et al., 2009; Konecnik & Ruzzier, 2008), and reveals some additional structural relationships between the brand equity dimensions. In more detail, assets have a positive impact on both awareness and quality, while awareness has an impact on both quality and associations; thereby confirming hypotheses 2-4 (*H2*-4). Furthermore, both quality and associations have a positive impact on loyalty, which verifies hypotheses 5 and 6 (*H5*-6). Yet, analysis revealed that some additional relationships need to be taken into consideration when investigating the structural paths (Dimanche, 2002; Kotler et al., 1996; Qu et al., 2011). It must also be noted that an additional relationship refers to the impact of associations on quality. This relationship suggests that associations should be connected with quality in order to achieve a bigger impact of perceived associations on loyalty.

6. Discussion

The present study seeks to provide an indication of which cultural brand assets can actually be more useful when engaging in a city brand development. In doing so, the study adopts a marketing perspective in order to approach the assets dimension. Focusing on a specific brand category (i.e. cultural destinations) facilitated the recognition of the assets dimension. Cultural destinations were selected, given their potential to boost attractiveness and competitiveness (Apostolakis, 2003; Arzeni, 2009). Consequently, the theoretical representation of the cultural brand assets dimension is based on those cultural assets which cultural tourism literature has been investigating without bringing them into a larger theoretical framework, such as Aaker’s Brand Equity five-dimensional model (Evans, 2003; McKercher et al., 2006; Prentice, 1994; Trueman et al., 2004; van der Ark & Richards, 2006). The items of the other four dimensions derive from previous findings (e.g. Boo et al., 2009; de Chernatony & Dall’Olmo Riley, 1998; Motameni & Shahrokhi, 1998; Yoo & Donthu, 2001) and have been adapted to apply for cultural destinations.

The study builds on both cultural tourism and destination branding literature and its findings are congruent with previous research. Commenting on the methodology adopted, it can be safely argued that the SEM approach followed is rather novel in the field and provides a more thorough examinations of the relationships investigated. The statistical analysis not only confirmed the five-dimensional structure of brand equity in the case of cultural destinations but also verified and enriched the path model in order to include the assets dimension (Aaker, 1991; Ferns & Walls, 2012; Horng et al., 2011).

7. Implications, limitations and future research

Until recently, only a limited number of studies have approached the assets dimension (e.g. Dimanche, 2002) and the structural relationships developed between the destination brand equity dimensions (e.g. Boo et al., 2009). The present study builds on previous research in destination branding and tests a model which, for the first time in destination brand equity research, assesses all five dimensions in an integrated manner (Aaker, 1991). The study incorporates literature remarks and findings to better explain the model structure and the statistical findings. On these grounds, it contributes to the literature in two different ways: Firstly, by validating a model which assesses all five dimensions and, secondly, by following an integrated approach for describing the relationships developed between the dimensions.
Although previous research in destination branding has focused more on the associations (image) (e.g. Baloglu & McCleary 1999; Gallarza, Gil & Calderon, 2002; Konecnik & Gartner, 2007), the interpretation of the findings has shed light on the central role of loyalty and quality in the case of cultural destinations.

The study has shown that loyalty, as expressed by items such as recommendation and re-visitiation, is mostly influenced by quality. This practically means that DMOs’ effort to reach desired visitation numbers in the future should give emphasis on the quality dimension by contextualizing it for their city. Moreover, the research findings stress out the significance of cultural brand assets which refer to entertainment/nightlife, festivals, events, traditions and street culture. Thus, they support the argument that destination brands selling an ambiance or a way of life, instead of specific attractions, are more likely to generate repeat visits (Ashworth & Page, 2011). Findings also imply that the aforementioned assets result to Rome being perceived as a famous cultural destination, coming to mind immediately when thinking about culture and having created awareness for the characteristics of the city. The same assets contribute to evaluating Rome positively in terms of providing quality experience, a good atmosphere and cultural organization. Additionally, for a better evaluation of destination brands, proper marketing strategies should focus on interesting, fulfilling and authentic cultural experience which will enhance the perception of quality experiences, atmosphere and organization and, at the same time, influence loyalty (i.e. repeat visits and recommendation). Furthermore, given the significance of overall atmosphere and organization, such efforts are more likely to be crowned with success if significant collaboration among various city stakeholders is developed (Fyall, Garrod & Wang, 2012).

Conclusions altogether suggest that instead of focusing on licensing opportunities or investing in high culture infrastructure, there is another alternative more likely to inspire desired behavior. This alternative refers to cultural brand assets which contribute to the atmosphere of a cultural destination, emphasizes quality experiences and puts forward the need to efficiently organize the destination’s cultural aspects. In fact, in order to inspire loyalty, DMOs should keep in mind that international tourists are more likely to recommend and revisit a specific destination only once tourists’ quality standards have been reached. The findings and conclusions of the study are significant for both scholars and practitioners. On one hand, scholars are now equipped with the first clear incorporation of the city’s cultural brand assets into the destination brand equity model. Moreover, the structural relationships, which describe all five dimensions, have been validated in the context of an integrated model. On the other hand, DMOs, which are interested in cultural destinations similar to Rome, have gained knowledge of what tourists regard significant.

Turning to discuss the findings’ limitations, it must be noted that one limitation of the study relates to the non-all-inclusive list of cultural and destination assets taken into consideration. Furthermore, the research does not analytically refer either to tourists’ interests, or involvement (Ferns & Walls, 2012), satisfaction and motives (e.g. Blain et al., 2005; Lee, 2009). Yet, such factors may have a significant contribution to one or more brand equity dimensions. Consequently, future research could incorporate the possible influence of these factors. Additionally, since research indicates differences between country and destination image (Martinez & Alvarez, 2010), the incorporation of assets referring to other aspects of the destination, country, and place brand is expected to offer a more complete approach to the model. Finally, the study does not take into account assets’ impact on brand equity dimensions in terms of positioning (Dimanche, 2002). Further research in this area would deepen the understanding of the impact of equity dimensions on loyalty intentions and more specifically future behavior.

References


