

Brand loyalty to Arts Festivals: Case of KKNK

S. Lemmer

Honours B.Com

20096976

Dissertation submitted in partial fulfilment of the requirements for the degree

Master of Commercii in Tourism Management

at the

Potchefstroom Campus

of the

North-West University

Study Leader: Prof. Elmarie Slabbert

November 2011

DECLARATIONS

I, Su-marie Lemmer, identity number 860404 0169 08 9 and student number 20096976, do hereby declare that this research submitted to the North-West University, for the masters degree: Brand Loyalty to Arts Festivals: Case of KKNK is my own independent work; and complies with the Code of Academic Integrity, as well as other relevant policies, procedures, rules and regulations of the North West University; and has not been submitted before to any institution by myself or any other person in fulfilment (or partial fulfilment) of the requirements for the attainment of any qualification.

I also hereby declare that I constructed the reference list according to the guidelines of North West University

Lastly I declare that this document has been language edited as per the requirements of North West University.

Ms. S. Lemmer

Date

ACKNOWLEDGEMENTS

I would like to thank the following people who encouraged and motivated me during the completion of this study:

- Firstly my Heavenly Father, God, whom I am dependant on and who gave me strength and courage to complete this study. “I can do all things through Christ which strengthens me”.
- My loving parents for their moral support and motivation. I am so privileged for having such wonderful parents.
- Prof. Elmarie Slabbert, my study leader. Thank you for your continual guidance and assistance during this study.
- Dr. Amanda van der Merwe for the language editing of this study
- Dr. Suria Ellis, who assisted me with the statistics and data analysis
- The field workers (honour students 2009) who assisted with the survey, 2009, at the ABSA KKNK arts festival.
- The National Research Foundation for their financial support.

SUMMARY

Key terms: tourism, festivals, events, marketing, branding, brand loyalty, brand dimensions, brand resonance, brand equity, judgments, feelings, imagery, salience, performance and brand relationships.

The primary purpose of this study was to determine the status of brand loyalty to art festivals with reference to Klein Karoo national Arts Festival (KKNK). This was achieved by firstly analysing and discussing the role of branding in tourism marketing. Secondly, a literature study was conducted to analyse the concept brand loyalty. Thirdly, the results of the empirical research were discussed and finally the conclusions were drawn from the research and recommendations were made with regard to visitors' loyalty to the KKNK.

Literature indicated that when marketing a tourism product or service it involves a complex bundle of value, which is intangible, inseparable, variable and perishable. Therefore the tourist's experience with the product is important to keep in mind. Every tourist counts in the tourism industry therefore knowledge related to the needs and wants of the tourists. This can be determined by market research that is designed to collect, analyse, interpret and report information. The marketer can use this information to create a marketing mix, however, in the tourism and hospitality industry the four P's (price, promotion, product, place) are extended with more P's, namely people, physical environment, processes, packaging, participation, product-service mix, presentation mix and communication mix. The tourism product or festival should be positioned in the minds of the tourists and this cannot be achieved without branding the product. The brand name is used to identify and differentiate the product from its competitors. It also creates meaning for the tourist and establishes a competitive position in the minds of the tourist.

Brand loyalty should be an important marketing goal of the tourism product because it reduces a brand's vulnerability to competitors' action and create a committed relationship with the tourists that insure lifelong visiting behaviour among tourists or positive word-of-mouth recommendations. Brand loyalty is build on six levels which can also be utilised to determine the visitors loyalty

towards the brand and to assist the marketer on focussing on areas which should be improved to achieve a higher level of loyalty. The aim of the marketer should be to achieve the highest level of brand loyalty namely *Resonance*.

For the purpose of this study the visitors' profile and the current status of brand loyalty, were measured by means of a questionnaire and the objective of the questionnaire was to determine how loyal the visitors were to the KKNK. The questionnaires were distributed among the visitors at the KKNK in Oudtshoorn, in April 2009. Availability sampling was used to collect the data based on the fact that the respondents were conveniently available on the festival grounds and at show venues and willing to complete the questionnaires. A total of 422 questionnaires were completed during the festival.

The factor analysis determined that Brand Feelings were the loyalty level that was rated the highest by the respondents to the KKNK. Therefore it was determined that the visitors' loyalty to KKNK is currently at the fifth loyalty level and will have the most influence on the visitors when deciding to visit or recommend the KKNK. This is expected for a festival that is 15 years old however, the organisers of the KKNK can continue to improve the visitors loyalty until they reach the sixth and highest, loyalty level.

This study contributes to the limited available literature on brand loyalty to arts festivals.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION AND PROBLEM STATEMENT	1
1.1 INTRODUCTION	1
1.2 PROBLEM STATEMENT	3
1.3 GOAL OF STUDY	10
1.3.1 Goal	10
1.3.2 The objectives	10
1.4 RESEARCH METHOD	11
1.4.1 Literature study	11
1.4.2 Empirical study	11
1.4.2.1 Research design and method of collecting data	12
1.4.2.2 Development of the random test plan	13
1.4.2.3 Development of questionnaire	15
1.4.2.4 Data analysis	16
1.5 CHAPTER CLASSIFICATION	17
1.6 DEFINITION OF CONCEPTS	18
1.6.1 Brand loyalty	18
1.6.2 Tourism	18
1.6.3 Festival	18
1.6.4 Tourist or visitor (customer, consumer)	19

CHAPTER 2: A REVIEW REGARDING THE ROLE OF BRANDING IN TOURISM MARKETING	20
2.1 INTRODUCTION	20
2.2 UNDERSTANDING THE MARKETING CONCEPT	21
2.3 THE HISTORY OF MARKETING	24
2.3.1 Production-oriented era – founding the field of marketing	24
2.3.2 Sales-oriented era – formalising the field of marketing	25
2.3.3 Marketing-oriented era – a paradigm shift in the marketing mainstream	26
2.3.4 Customer-oriented era or value based marketing – the shift intensifies	26
2.4 THE BENEFITS OF MARKETING	30
2.5 TOURISM MARKETING	33
2.5.1 Understanding demand	36
2.5.1.1 Participants in the purchasing process	38
2.5.1.2 Decision making process	39
2.5.1.3 Factors that influence the tourist behaviour	40
2.5.2 Marketing of supply	41
2.5.2.1 Marketing Research	41
2.5.2.2 Market segmentation	46
2.5.2.2.1 The importance and benefits of marketing segmentation	46

2.5.2.2.2 Market segmentation process	47
2.5.3 Effective marketing	50
2.5.4 The 4 P's / or the marketing mix	51
2.5.4.1 Traditional marketing mix	51
2.5.4.1.1 Product	53
2.5.4.1.2 Price	53
2.5.4.1.3 Place	54
2.5.4.1.4 Promotion	54
2.5.4.2 Hospitality and tourism marketing mix	55
2.5.4.2.1 People	56
2.5.4.2.2 Physical environment (Physical evidence)	56
2.5.4.2.3 Processes	56
2.5.4.2.4 Packaging	57
2.5.4.2.5 Participation	57
2.5.4.2.6 Product-service mix	58
2.5.4.2.7 Presentation mix	58
2.5.4.2.8 Communication mix	58
2.6 MARKETING OUTCOME	59
2.6.1 Positioning the tourism product or service	59
2.6.1.1 The positioning approaches	61

2.6.1.2 The positioning process	62
2.6.1.3 The importance of brand in the positioning process	70
2.6.2 Branding	70
2.7 CONCLUSION	72
CHAPTER 3: A REVIEW REGARDING BRAND LOYALTY TO	
IDENTIFY AND ANALYSE BRAND LOYALTY CONSTANTS	74
3.1 INTRODUCTION	74
3.2 THE ROLE AND IMPORTANCE OF BRANDING	75
3.2.1 Branding is a source of identification and creates meaning for the product	76
3.2.2 Branding reduces risks and costs by product decision-making	77
3.2.3 Branding signals product quality	78
3.2.4 Branding is a shorthand device	79
3.2.5 Branding simplifies product decision	79
3.2.6 Branding proves product relationship	79
3.2.7 Branding simplifies the identification, handling and tracing of products	80
3.2.8 Branding provides legal protection for the product's features	80
3.2.9 Branding increases tourist satisfaction	81
3.2.10 Branding is a source of sustainable competitive advantage	81
3.2.11 Branding is a source of financial return through repurchasing of products	81

3.2.12 Branding provides cost-effective marketing	82
3.2.13 Branding results in customer relationships and loyalty	82
3.3 CREATING A BRAND NAME	83
3.4 BRAND EQUITY	88
3.4.1 Organisation-based brand equity	89
3.4.2 Customer-based brand equity	90
3.4.2.1 Awareness	93
3.4.2.2 Image	94
3.5 BRAND LOYALTY	96
3.6 SIX DIMENSIONS OF CUSTOMER-BASED BRAND EQUITY EQUALS LEVELS OF LOYALTY	99
3.6.1 Brand Salience	101
3.6.2 Brand meaning	101
3.6.2.1 Brand performance	102
3.6.2.2 Brand imagery	105
3.6.3 Brand response	108
3.6.3.1 Brand judgments	109
3.6.3.2 Feelings	110
3.6.4 Branding resonance	114
3.7 CONCLUSIONS	119

CHAPTER 4: EMPIRICAL ANALYSIS: TO DETERMINE THE BRAND

LOYALTY LEVELS OF THE VISITORS TO KKNK	122
4.1 INTRODUCTION	122
4.2 RESULTS	123
4.2.1 Demographic Results	123
4.2.2 Festival attendance	125
4.2.3 Loyalty towards the KKNK	127
4.2.3.1 Descriptive statistics on loyalty towards the KKNK	127
4.2.3.2 Factor analysis of brand loyalty	133
4.2.3.3 Spearman's rank order of all the factors (Loyalty Levels)	139
4.3 ASSOCIATIONS BETWEEN IDENTIFIED FACTORS AND DEMOGRAPHIC VARIABLES	139
4.3.1 Education	140
4.3.2 Age	140
4.3.3 Gender	142
4.3.4 Language	142
4.3.5 Martial Status	143
4.3.6 Province of Residence	144
4.4 CONCLUSIONS	145
CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS	147
5.1 INTRODUCTION	147
5.2 CONCLUSIONS	148

5.2.1	Conclusions with regarding to the analysis of tourism marketing and the role of branding in tourism	149
5.2.2	Conclusions with regard to the analysis of brand loyalty	153
5.2.3	Conclusions with regard to the survey analysing visitors level of loyalty toward the KKNK	156
5.3	RECOMMENDATIONS	160
5.3.1	Recommendations regarding the loyalty levels towards the KKNK	160
5.3.2	Recommendations regarding further research	161
	REFERENCES	164

LIST OF FIGURES

Figure 1.1:	Sub-dimensions of brand building blocks, loyalty levels	7
Figure 2.1:	Phases of marketing	34
Figure 2.2:	Core elements of tourism, hospitality and leisure product	35
Figure 2.3:	Marketing activities for the tourism, leisure and hospitality Industries	37
Figure 2.4:	Satisfied tourists	38
Figure 2.5:	Customer buying decision process	39
Figure 2.6:	Basic marketing segmentation classification	52
Figure 2.7:	The positioning process (adapted from Reid & Bojanic, 2001:106)	65
Figure 2.8:	Effective positioning	67

Figure 2.9: The positioning process	69
Figure 3.1: A Customer-Based Brand Equity Framework	92
Figure 3.2: Sub-dimensions of Brand Building Blocks or Brand Loyalty Levels	100
Figure 3.3: The Ten Commandments of Emotional Branding	112

LIST OF TABLES

Table 1.1: Existing studies of branding	9
Table 2.1: Marketing definitions	23
Table 2.2: Benefits of marketing	30
Table 2.3: Participants in the purchasing process	38
Table 2.4: An integrated marketing research process	42
Table 2.5: Market segmentation process	48
Table 3.1: Role and functions of brands	75
Table 3.2: The criteria for evaluating a brand name	84
Table 3.3: Benefits of organisation-based brand equity	89
Table 3.4: Benefits of brand loyalty	97
Table 3.5: Six types of building brand feelings	113
Table 3.6: Attributes of a good brand relationship	116
Table 4.1: Demographic Results	123
Table 4.2: Festival attendance	126

Table 4.3: Loyalty towards the KKNK Arts Festival	129
Table 4.4: Factor analysis: Brand loyalty	133
Table 4.5: Spearman's rank order of all the factors	139
Table 4.6: Results for ANOVA with Education	140
Table 4.7: Correlations of Age with loyalty factors	140
Table 4.8: t-test for Gender	142
Table 4.9: t-test for Language	142
Table 4.10: t-test for Martial Status	143
Table 4.11: t-test for Province of Residence	144

APPENDIX

1. Questionnaire

BRAND LOYALTY TO ARTS FESTIVALS: CASE OF KKNK

CHAPTER



INTRODUCTION AND PROBLEM STATEMENT

1.1 INTRODUCTION

Festivals and events play an important role in South Africa because it improves the economy of the country and local provinces, thereby improving the local residents' quality of life (Saayman, 2002:11). It also creates a favourable image of the destination which attracts more visitors (Huang, Li & Cai, 2010:254). The arts festivals in South Africa provide the visitors with the opportunity to combine their pursuit of culture with wine tasting, sightseeing, beach visits, game or wildlife viewing, history and relaxation in some of South Africa's most beautiful spots.

Arts festivals and events are one of the fastest growing segments of tourism, which is supported by the government and expected to grow even further and faster in the future (Gursoy, Jurowski & Uysal, 2001:79; Sheldon & Abenoja, 2001:435). Currently South Africa offers about 40 festivals throughout the year, which includes the five big arts festivals: the Grahamstown National Arts festival, ABSA Klein Karoo National Arts Festival (KKNK), Aardklop National Arts Festival, Arts Alive International Festival and Mangaung Cultural festival (Anon., 2011b; Anon., 2011d). In 2009, the attendance of arts festivals increased nationwide with 13.21%. 170 045 people attended the various events that was on offer (Anon., 2011a). The festival market in South Africa is more educated and more aware of national and international festivals. This increased the competition for visitors, and more specifically for repeat visitors.

The Klein Karoo Nasionale Kunstefees (KKNK National Arts Festival, generally known as the “Absa KKNK Arts Festival” or simply KKNK) is an Afrikaans language arts festival that originated in 1995 and from 2006 it was known as the Absa KKNK Arts Festival. The festival is hosted annually in Oudtshoorn, Western Cape province, during the April school holidays. It is recognised by the South African government as a national arts festival which includes visual and performing arts; drama, cabaret, musical theatre, jazz, classical music and light music. It is the largest arts festival in South Africa, and annually attracts more than 1000 artists performing or exhibiting in more than 200 productions and exhibitions over eight days (Anon., 2009). The Absa KKNK is a non-profit organisation that relies on external sponsorships and funding to support its arts, education and audience development programmes, and if any surpluses emerge it is ploughed back into these programmes. The ABSA KKNK Arts Festival’s mission is to be leading South African arts festival that offers a unique experience in our programmes and as a destination, striving towards high creative standards. In 2007, the Oudtshoorn Municipality’s Economic Report estimated that 120 000 visitors attended the festival (Jonker, Saayman & De Klerk, 2009:382). In 2008, 363 local residence were temporary employed by the ABSA KKNK Arts Festival, the festival does not only provide job opportunities to the local residence but also ensure business opportunities for the local accommodation services, taxi services, support services and markets. This makes the festival a major contributor to Oudtshoorn’s economy (Anon, 2012). It is necessary to ensure that the festival stays sustainable and keep on contributing to the economy, by means of determining the visitors’ loyalty towards the festival. Loyal visitors ensure repeat visits and positive word of mouth recommendations. Therefore this study is important and necessary.

Branding is part of the marketing strategy and assists in creating and sustaining a competitive advantage. Branding of a festival provides image, meaning, response and relationship to tourists, which can simplify tourists’ decision making process. If a festival’s brand is well positioned in the visitor’s mind, it will have a better chance of being selected than the competing festivals. When tourists learn to trust a brand and have brand knowledge, brand loyalty can be

established, which improves repeated visits or repurchasing of products (Lin, Wu & Wang, 2000:278; Wood, 2004:158; Fill, 2005:293; Keller 2008:6).

It is assumed that after 15 years, the brand of KKNK is well positioned in visitors' minds, which improves its chances of being selected by the visitors. Even with this in mind, the loyalty of the visitors to KKNK is unknown.

The purpose of this chapter is to present the problem statement, the objectives of the study and the research methodology, and to clarify certain concepts.

1.2 PROBLEM STATEMENT

Marketing is a social and managerial process by means of which individuals and groups obtain what they need through creating and exchanging products and value with others (Kotler as cited by Pike, 2008:26). De Chernatony and McDonald (2003:10) point out that many definitions of marketing have emphasised the identification and satisfaction of tourists' needs. Putting the tourist first is a business philosophy of marketing, where the goal should be to create and retain satisfied tourists (Bowie & Buttle, 2004:7). Wood (2004:4) explains that marketing should focus on what the business does differently than its competitors, meaning that awareness is the starting point to understand and satisfy tourists, which will lead to satisfied shareholders. Satisfied tourists may also become loyal visitors who are directly influenced by branding.

According to Wood (2004:158), branding is part of the product strategy and provides identity and competitive differentiation, which stimulate the tourists' response. Keller (2008:2) agrees that brands are used to distinguish the goods or services of one producer from those of another. The American Marketing Association defines brand as a "name, term, sign, symbol, words, design or a combination of it all to differentiate one seller or a group of sellers from other sellers in competition" (cited by Wood, 2004:159; Ponder & Barnes 2004:24; Keller, 2008:2). For centuries, the main purpose of branding has been to distinguish products and services of one producer from another. Keller (2008:2) explains that the word brand is derived from the Old

Norse word “brandr”, which means to burn, like owners of livestock mark animals to identify the livestock.

To many marketers, branding means more than just a name, logo or symbol for a product or service. It creates awareness, prominence, reputation, recognition, meaning and value to the tourists (Fill, 2005:393; Keller, 2008:2). According to Wood (2004:158), the main objective of the brand strategy is to move visitors upwards through the levels of brand equity and to encourage them to remain at the top, being loyal to the product. Brand equity is a financial benefit for companies but it should be kept in mind that tourists’ interaction with the brand gives rise to identity, meaning, response and relationships. De Chernatony and McDonald (2003:15) agree with Simon Anholt (cited by Morgan & Pritchard, 2000:215) that the added values and meanings of brands result in a good marketing strategy, which positions the brand of a product or service in the mind of the tourist, which in turn influences the tourist’s sense of value. The result is that the tourist will be willing to pay more for a product or service than its intrinsic worth would suggest.

According to De Chernatony and McDonald (2003:15) the tourist will not accept a substitute if the brand’s position is more distinctive, with the favourable attributes which are important to the tourist. In other words, tourists who have gained brand knowledge by previous experiences with the products and the brand over the years, realised which brands provide quality and satisfy their needs (Keller, 2008:6). As a result tourists learn to trust a brand. This simplifies the decision-making process by reducing time and associated perceived risks during purchasing of products or services. When tourists trust a brand, they will repeatedly purchase or visit that brand (Lin, Wu & Wang, 2000:278; Fill, 2005:293 & Keller, 2008:6).

Branding can offer various benefits for tourists and tourism organisations:

For tourists:

- Branding is source of identification and creates meaning for the product (Morgan & Pritchard, 2001:215; de Chernatony & McDonald, 2003:12; Bowie & Buttle, 2004:108; Wood, 2004:158; Fill, 2006:398; Pike, 2007:53; Li, Petrick & Zhou, 2008:80; Keller, 2008:6; Pike, 2008:175; Kotler & Keller, 2009:277).
- It reduces risks and costs of product decision-making (Morgan & Pritchard, 2001:221; Bowie & Buttle, 2004:108; Fill, 2006:398; Kim, Kim, Kim, Kim & Kang, 2006:75; Pike, 2007:53; Pike, 2008:201; Keller, 2008:6; Sweeney & Swait, 2008:180; Kotler & Keller, 2009:277).
- It signals product quality (Morgan & Pritchard, 2001:215; de Chernatony & McDonald, 2003:12; Bowie & Buttle, 2004:109; Fill, 2006:398; Keller, 2008:6; Kotler & Keller, 2009:277).
- It simplifies product decision (Bowie & Buttle, 2004:108; Fill, 2006:398; Keller, 2008:6; Sweeney & Swait, 2008:180; Kotler & Keller, 2009:277).
- It provides product relationship (de Chernatony & McDonald, 2003:12; Wood, 2004:158; Pike, 2007:53; Keller, 2008:6; Sweeney & Swait, 2008:180; Kotler & Keller, 2009:277).

For tourism organisations:

- It simplifies the identification of handling or tracing of products (Bowie & Buttle, 2004:108; Fill, 2006:398; Li, Petrick & Zhou, 2008:80; Keller, 2008:6; Kotler & Keller, 2009:277).
- It provides legal protection for the product's features (Bowie & Buttle, 2004:108; Fill, 2006:398; Li, Petrick & Zhou, 2008:80; Keller, 2008:6; Kotler & Keller, 2009:277).
- It increases customer satisfaction (Bowie & Buttle, 2004:108; Kim, Kim, Kim, Kim & Kang, 2006:75; Keller, 2008:6; Kotler & Keller, 2009:277).
- It is a source of sustainable competitive advantages (Bowie & Buttle, 2004:108; Li, Petrick & Zhou, 2008:80; Keller, 2008:6; Pike, 2008:175; Kotler & Keller, 2009:277; Opperman, 2009:78).

- It is a source of financial returns by repurchasing of products (Morgan & Pritchard, 2001:214; Wood, 2004:158; Pike, 2007:53; Keller, 2008:6; Kotler & Keller, 2009:277; Opperman, 2009:78).
- It provides cost effective marketing (Wood, 2004:158; Kim, Kim, Kim, Kim & Kang, 2006:75; Keller, 2008:6; Kotler & Keller, 2009:277).
- It provides customer relationships and loyalty (Morgan & Pritchard, 2001:221; de Chernatony & McDonald, 2003:12; Wood, 2004:158; Fill, 2006:398; Kim, Kim, Kim, Kim & Kang, 2006:75; Pike, 2007:53; Keller, 2008:6; Sweeney & Swait, 2008:180; Pike, 2008:175; Kotler & Keller, 2009:277; Opperman, 2009:78).

Brand loyalty refers to tourist behaviour of repeat visits to or purchasing of a specific brand over a certain period of time as well as word of mouth recommendations (Lin, Wu & Wang, 2000:279; Story & Hess, 2006:406; Pike, 2007:54). The market shares or sales volume of a brand or festival can be increased by means of strengthening the brand loyalty of existing tourists or by persuading tourists to switch from other brands (Lin, Wu & Wang, 2000:279). According to Wood (2004:161) there are three approaches to reinforce tourists' brand preference and loyalty: Product quality and performance should be improved or maintained to avoid disappointing tourists; products or features should be added that better satisfy the tourists' needs; and innovative or upgraded product designs, packaging and labelling of the brand must be constantly introduced. The effective product strategy in the marketing plan should move the tourists up the brand equity pyramid to gain sustained tourist loyalty. Loyalty is the result of relationships (Story & Hess, 2006:406) that are formed through the interactions and bonds between tourists and the brands. It is explained further that committed relationships between the tourist and the brand are a subset of satisfied tourists.

Keller (2008:60) (see Figure 1.1) identifies six sub-dimensions of brand building blocks which are used as the levels of brand loyalty. These sub-dimensions are assembled in a pyramid, with significant brand equity only resulting if brands reach the top of the pyramid. In other words, when the brand reaches the top, the result is strong brand loyalty. The sub-dimensions, or in this study the levels of loyalty, are firstly brand salience, which means achieving the right

brand identity and measuring the brand awareness. Awareness refers to the tourist's ability to recall and recognise the brand. By being aware of the brand, tourists understand the product or

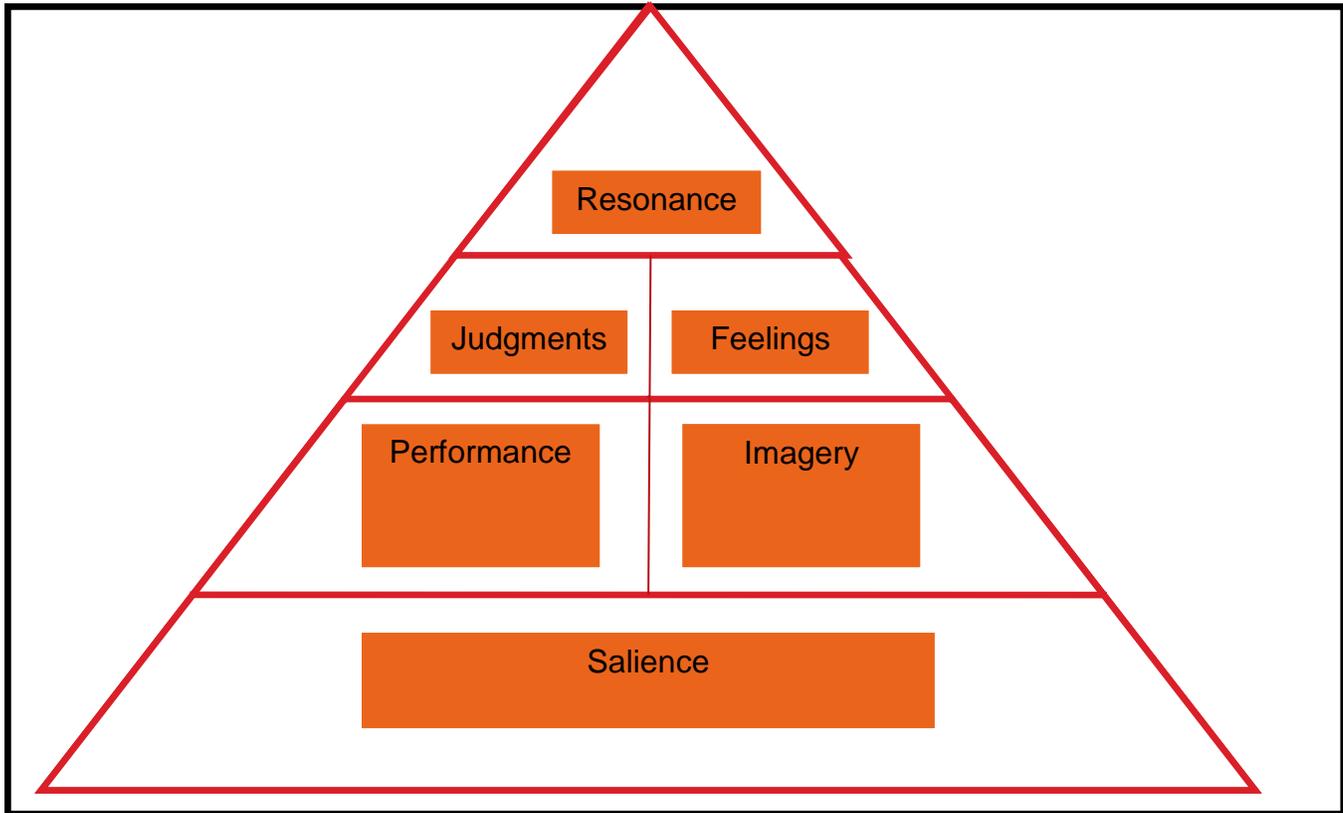


Figure 1.1: Sub-dimensions of brand building blocks, loyalty levels

Source: Keller (2008:60)

service category as well as the products and services provided by the brand. The visitors to the KKNK may for example recognise the brand by colour, associate it with ABSA and know what the brand stands for. The visitors recall the festival's services, products, shows and production when the brand is recognised.

The second level is brand performance: It should be kept in mind that the heart of brand equity is the product itself, because it influences the tourist's experience with the brand. Brand performance is how well the tourist's more functional needs are met by the product or service. Brand performance attributes and benefits are supplementary features and include durability, serviceability, reliability, service effectiveness, efficiency and empathy, style, design and price.

The visitors to the KKNK that have a need for entertainment can be entertained by attending one of the shows or drama productions.

The third level is brand imagery, which involves what the tourist thinks abstractly about the brand rather than what the brand does. Imagery associations can be formed directly from the tourist's own experience with the brand and product. There are four kinds of intangibles aspects, namely the user profile, purchase and usage situations, personality and values and history, heritage and experience. If the visitors have a pleasant and fun experience at the KKNK, they will be reminded of these previous pleasant experiences when the brand is recognised.

The fourth level is brand judgments, which involves the evaluation of the brand according to brand performances and brand imagery. Judgments focus on quality, credibility, consideration and superiority. The visitors can judge the quality of the art, shows and drama productions when they decide which art festival to visit.

The fifth level is brand feelings and involves the emotional response or reactions of tourists towards a brand. The feeling is evoked by the marketing programme for the brand, which can be warmth, fun, excitement, security, social approval and self-respect: the visitors to the KKNK may for instance feel excited to visit the festival.

The final level is brand resonance, which describes the nature of the relationship between the tourist and the brand. Resonance comprises four categories, namely behavioural loyalty, attitudinal attachment, sense of community and active engagement (Keller, 2008:61). When visitors are loyal towards the KKNK they will feel part of a community, which will encourage repeated visits to KKNK. These brand building blocks or levels of loyalty can be used as a guide to build a strong brand and brand loyalty.

Brand loyalty also implies tourists, who tend to spend more, make repeated visits to or purchases of the brand, resist switching to competing brands and are willing to pay more for a product or brand and will recommend it to others (Wood, 2004:161). The KKNK is in

competition with other festivals; therefore it is important for it to have brand loyal visitors to ensure repeated visits.

Existing studies on brand loyalty (Table 1.1) focus on different aspects of Keller’s (2008:60) six sub-dimensions:

Table 1.1: Existing studies of branding

Type of Study	Author/s of the study
Brand Equity	Pike (2007); Wang, Wei & Yu (2008); Kim, Kim, Kim, Kim & Kang (2008); Boo, Busser & Baloglu (2009); Das, Stenger & Ellis (2009); Holehonnur, Raymond, Hopkins & Fine (2009); French & Smit (2010); Pike (2010).
Brand loyalty	Lin, Wu & Wang (2000); Opperman (2000); Rosenbaun, Ostrom, Kuntze (2005); Rosenbaum, Ostrom & Knutze (2005); Story & Hess (2006); Li, Petrick & Zhou (2008).
Brand Community	Muniz & O’Guinn (2001); McAlexander, Schouten & Koenig (2002); Adndersen (2005); Levy & Hassay (2005); Obst & White (2007); Peterson, Speer, Hughey, Armstead, Schneider, Sheffer (2008); Schembri (2008)
Brand Attachment	Thach & Olsen (2006).
Branding	Ponder & Barnes (2004); Langner, Schmitt & Geus (2006); Kollmann & Suckow (2007); Oakenfull & McCarthy (2010).

Only a few similar studies have been done internationally in the field of event and festival tourism, and even fewer studies about branding in the tourism industry. South African studies about festivals include the studies of Snowball (2004), Saayman and Saayman (2004) and van Zyl (2005) that focused on economic impacts and market positioning. Dreyer (2008) assessed brand effectiveness and focused on the reaction of visitors’ feelings towards the KKNK as well as an analysis of the brand logo. Very few studies have been done on brand loyalty, and in South Africa no studies could be found concerning brand loyalty for arts festivals.

As mentioned in the introduction arts festivals are one of the fastest growing segments in the tourism industry and it is expected to grow even further and faster in the future. The result is increased competition for visitors among arts festivals in South Africa. The KKNK is competing with other arts festivals in South Africa, such as the big five arts festivals and other local festivals in the Western Cape. This is challenging for competing festivals because it is not only the competitors’ rates and packages that influence the visitors’ decision on which festival to visit,

but also the current economic conditions of South Africa that has an influence on the fuel rates and disposable income of the visitors. For example, if the fuel rates are too high the visitors might decide on visiting another festival that is closer to their location. However loyal visitors are not easily influenced by premium prices and will still visit the arts festival and recommended it to others. Every festival's goal should be to gain loyal visitors.

For the KKNK however, brand loyalty can increase repeat visits, and the ability to attract visitors willing to pay more to visit the arts festival, positive word-of-mouth messages and brand loyal tourists will assist in maintaining the sustainability of the KKNK. Therefore it is important to understand brand loyalty for arts festivals, especially in the South African content.

Therefore the research question remains: What are the brand loyalty levels of visitors to arts festivals such as the ABSA KKNK Arts festival?

1.3 GOAL OF THE STUDY

1.3.1 Goal

The goal of the study is to determine how loyal the visitors are towards the ABSA Klein Karoo Nasionale Kunstefees by determining and analysing the brand loyalty levels.

1.3.2 The objectives

- To review the literature regarding the role of branding in tourism marketing
- To review the literature regarding brand loyalty to identify and analyse brand loyalty constants.
- To analyse and determine the brand loyalty levels of the visitors to the KKNK.
- To draw conclusions and make recommendations regarding improvement of brand loyalty to the KKNK.

1.4 RESEARCH METHOD

A two-pronged approach will be followed, namely a literature analysis and an empirical study.

1.4.1 Literature study

A literature study was done to gain better understanding of marketing and brand loyalty. Books, theses, reports and research articles of authors in the industry were consulted to obtain the information. Ebsco Host, Science Direct and Google Scholar were used to collect research articles, while books on the subject available in the Ferdinand Library at the North-West University were also studied (see Table 1.1). A few international studies on brand loyalty in the tourism industry are available, as well as one unpublished study on the assessment of brand effectiveness in South Africa, but no study has yet been done on brand loyalty for arts festivals in South Africa. This implies that there is no existing questionnaire in South Africa to obtain the necessary data for this study. An in-depth search was therefore done to obtain information which would contribute to the development of the questionnaire. Keller's (2008:60) six sub-dimensions of brand building blocks were used as a basis for the literature study. The keywords that were used during the literature study were *tourism, events, festivals, marketing, branding, brand loyalty, brand dimensions, brand resonance, brand equity, judgments, feelings, imagery, salience, performance* and *brand relationship*.

1.4.2 Empirical study

The empirical study involves the collecting and analysing of data, from the "real world", by means of quantitative or qualitative methods and primary or secondary data. It is usually informed by some sort of theory or conceptual frame work. It is important to keep in mind that theoretical and empirical research coexist and enhance each other (Veal, 2010:33).

1.4.2.1 Research design and method of collecting data

Veal (2006:3) identifies three types of research namely, descriptive research, explanatory research and evaluative research. Descriptive research can be described as exploratory because it seeks to discover, describe or map patterns of behaviour in areas or activities which have not been studied previously. The aim of descriptive research is to describe an existing situation as far as possible. Explanatory research seeks to explain the patterns and trends observed beyond description which raise the issue of causality. It is required by the researcher to be rigorous in the collection, analysis and interpretation of data. It aims to discover and establish that one phenomenon is caused by another and the knowledge can be used to predict, once the causes are understood. Evaluation research arises from the need to make judgments on the success or effectiveness of policies or programmes, for example to determine whether a particular tourism promotion campaign has been cost-effective or if a certain programme met the required performance standards.

The research design for this study is descriptive in nature. This research design has been selected due to the novelty of the field; little research has been done in the leisure and tourism industry, especially about brand loyalty, and no research has been done in South Africa on the KKNK's brand loyalty levels, therefore the descriptive research is best suited for this study.

There are two research approaches, a qualitative and a quantitative approach. Qualitative research approach is concerned with a small number of people that involves gathering a great deal of qualitative information. It includes methods such as observation, information and in-depth interviewing and participant observation. The type of research is exploratory of nature. The quantitative research approach involves statistical analysis and relies on numerical evidence to draw conclusions or to test hypotheses. It is necessary to study relatively large numbers of people to ensure that the results are reliable. This approach includes questionnaire surveys to derived data and the research is descriptive of nature (McDaniel & Gates, 2010:132; Veal, 2010:40).

In this study a large number of people who attended the KKNK Arts Festival were studied and to ensure that the data and results were reliable, the quantitative research approach was used. This research method involved statistical analysis to determine the brand loyalty of the visitors to the KKNK arts festival. Numerical scores were used and respondents were asked to range the scores from 1 (disagree completely) to 5 (agree completely), and conclusions were drawn.

1.4.2.2 Development of the random test plan

Sampling is when a sample is selected from a population. It is obvious that the term population applies that one is dealing with a community of people. However in social research it can imply for instances the visitors to the KKNK Arts Festival, in other words the visitors to the KKNK forms a population and from this population a sample is selected which should be representative from the visitor population (Veal, 2006:284). There are two different sampling methods namely Probability sampling method and Nonprobability sampling method.

Probability samples are samples in which every element of the population has a known, nonzero likelihood of selection. The advantages when using probability sampling are that the researcher can be assured of obtaining information from the representative cross section of the population of interest, if a sampling error occurs it can be computed, the survey results can be projected to the total population. The probability sampling methods includes, simple random sampling, systematic sampling, stratified sampling and cluster sampling (McDaniel & Gates, 2010:423).

Nonprobability samples are samples in which specific elements from the population have been selected in a nonrandom manner. The advantages when using nonprobability sampling are that it cost less than probability samples, it can be gathered more quickly and if collected carefully it is reasonably representative of the population. The nonprobability sampling methods includes convenience samples, judgment samples, quota samples and snowball samples (McDaniel & Gates, 2010:423).

For this study the nonprobability sampling method was used because data is gathered quickly and it is representative of the population. The availability or convenience sampling type was used to collect the data, as the selection of a population was based on the fact that the respondents were conveniently available and willing to complete the questionnaires. The respondents were visitors to the KKNK.

Questionnaires were used to gather information from the sample group. Advantages of using questionnaires according to Veal (2006:232) are:

- Contemporary leisure and tourism are often mass phenomena, requiring major involvement from government, non-profit and commercial organisations, which rely on quantified information for significant aspects of their decision making. The ideal means of providing some of this information is by means of questionnaire surveys.
- Questionnaire methods provide a transparent set of research procedures. It is clear for all to see how the information was collected and how it was analysed or interpreted. The data can be re-analysed by others if they wish to extend the research or provide an alternative interpretation.
- Complex information can be provided in a succinct, easily understood form by means of quantification.
- Annually repeated surveys and longitudinal surveys provide the opportunity to study change over time, using comparable methodology.
- Questionnaires are a good method to obtain a complete picture of a person's patterns of participation. Tourism and leisure activities have a range of characteristics, such as frequency, duration and type of participation, location, expenditure, level of enjoyment.
- Simple information on the incidence of attitudes, meanings and perceptions among the population can be gathered and recorded as a whole.

For this study the questionnaire method was the best method to use because a complete picture of the visitors' patterns of participation can be obtained. The questionnaires were developed and distributed among the selected population by fieldworkers before shows and on

the festival grounds between the stalls. The fieldworkers were honours degree students in Tourism at the North-West University, South Africa. The questionnaires were distributed at the KKNK festival in Oudtshoorn between the 4 and 11 April 2009. The aim of the survey was to collect 400 questionnaires, to make the survey more credible and reliable. Krejcie and Morgan (1970:607) recommend a sample size(s) of 380 for a populations (N) of 1000 000. If the sample size exceeds 300, the rule of thumb of diminishing returns needs to be applied. However a total of 422 questionnaires were completed during the festival.

1.4.2.3 Development of questionnaire

The questionnaire developed is the first of its kind in South Africa which determines brand loyalty in the tourism industry. In the questionnaire, a Likert scale is used to determine to which extent the respondents agree or disagree with a certain statement. The questionnaire begins with demographical information about the respondent, followed by different sections, each with their own scale, to measure brand loyalty:

- *Salience* includes questions that measured category identification and needs fulfilment.
- *Performance* measures the product reliability, durability, service ability, service effectiveness, efficiency, empathy, style and design and price.
- *Imagery* measures user profiles, purchase and usage situations, personality and values, history, heritage and experiences.
- *Judgment* measures quality, credibility, consideration and superiority.
- *Feelings* measure warmth, fun, excitement, security, social approval and self-respect.
- *Resonance* which measures loyalty, attachment, community and engagement.

Each contains a different set of statements to be scored by the respondents.

1.4.2.4 Data analysis

Microsoft Excel and SPSS were used to capture and analyse the data of the collected questionnaires. A factor analysis considered interrelated variables simultaneously, to identify an underlying structure. It also examines patterns of relationships amongst selected variables. The purpose of factor analysis is to group variables together and creates a more manageable number of variables from a larger set of variables, based on the nature of these variables (Veal, 2006:351; Ghauri & Gronhaug, 2010:189; Cooper & Schindler, 2011:54). A confirmatory factor analyses were used to determine whether there was any relation between the variables, the six loyalty levels. During the factor analysis the following were considered: Factor loading, KMO, Variance explained, Cronbach alpha and the means value. Differences can emerge when two or more variables are put together and the analysis can determine whether the differences are significant. The differences between group means are examined and values within groups are spread. The frequency distributions examined the patterns of responses to each of the variables that were under investigation (Ghauri & Gronhaug, 2010:153) and were used to determine the loyalty towards the KKNK Arts Festival. This was constructed by listing the categories and counting the number of observation in each.

The ANOVA (one-way analysis of variance) was used to determine the significance between education and the six loyalty levels (factors). Cooper and Schindler (2011:54) explain that ANOVA uses a single factor fixed-effects model to compare the effects of one factor (six loyalty factors) on a continuous dependent variable (education). The Spearman's rho is used with ordinal data and correlates ranks between two ordered variables. It reduces scores to ranks and calculates (Cooper & Schindler, 2011:521). This rho correlation was used to determine the significance between age and the six loyalty levels (factors). The Two-Independent Sample Test was used for the following because the parametric data was reduced to categories (Cooper & Schindler, 2011:473). Therefore the chi-square test was appropriate to determine the significance between *gender* and the six loyalty levels; between *language* and the six loyalty levels; between *marital status* and the six loyalty levels; and between *province of residence* and the six loyalty levels.

1.5. CHAPTER CLASSIFICATION

This study consists of five chapters. A brief overview of what can be expected in each chapter is offered below.

Chapter 1: Introduction and problem statement

The problem statement, the objectives and the method of research are discussed in Chapter 1. Key concepts regarding this study are also defined in Chapter 1. The aim of this chapter is furthermore to give an overview and a background of the festival and the problem faced by the festival marketers and organisers.

Chapter 2: A review regarding the role of branding in tourism marketing

Chapter 2 reviews and defines tourism marketing and branding. Emphasis is placed on the importance and benefits of marketing, and the development of marketing is discussed. The marketing process and the positioning of a tourism product are explained, while the role of brand loyalty in the tourism marketing industry is also determined in this chapter.

Chapter 3: A review regarding brand loyalty to identify and analyse brand loyalty constants

Brand loyalty is reviewed in Chapter 3. The role and importance of branding are explored, while brand equity and brand loyalty are also discussed. A step-by-step description is given of the creating of a brand name, and the components of brand loyalty (loyalty levels) are determined and analysed.

Chapter 4: Empirical analysis: To determine the brand loyalty of the visitors to KKNK

The empirical data is analysed in chapter 4 and the results obtained through the questionnaires are reported. The questionnaires were completed at the KKNK in Oudtshoorn during 2009. Tables are used to discuss the data and to determine the loyalty levels of the visitors to the KKNK.

Chapter 5: Conclusions and recommendations

In Chapter 5, conclusions and recommendations are made regarding the brand loyalty of the visitors to the KKNK. Future research in this field of study is recommended.

1.6 DEFINITION OF CONCEPTS

The following concepts are considered important to this study.

1.6.1 Brand loyalty

Brand loyalty refers to the consumer's behaviour of repeatedly purchasing a specific brand over a certain period of time. This is based on past behaviour, and the local consumer is most likely to purchase the products of a specific brand currently and in the future (Lin, Wu & Wang, 2000:279). Consumers who are loyal to a brand and have strong attitudes towards it are more likely to buy it in the future (Morgan & Pritchard, 2001:229). Brand loyalty is represented by repeat visits and word of mouth recommendations (Pike, 2007:54) and a consumer's favourable attitude toward a specific brand. If brand loyalty is strong enough, customers may consistently purchase the brand when they need a product in that product category. Customer satisfaction with a brand is the most common reason for loyalty to that brand (Pride & Ferrell, 2010:330).

1.6.2 Tourism

Tourism is described as a total experience that originates through the interaction between tourists, job providers, government systems and communities in the process of attracting, entertaining, transporting and accommodating tourists (Saayman, 2002:2).

Tourism is all travel, for whatever purpose that results in one or more nights being spent away from home, as defined by the South African Department of Environmental Affairs and Tourism (Anon., 2011).

1.6.3 Festival

According to Huang, Li and Cai (2010:254), festivals and special events are increasingly sought by visitors as unique offerings that provide the opportunity for visitors to participate in a collective experience that is distinct from everyday life. Festivals can enhance or preserve local

culture and history, renew an urban area or region, generate economic benefits, stimulate the local tourism industry and expand the tourism season.

1.6.4 Tourist or visitor (customer, consumer)

The South African Department of Environmental Affairs and Tourism defines a tourist as a person who travels away from home, staying away for at least one night. A tourist can be a domestic tourist (for example resident of Johannesburg staying one night in Durban), a regional tourist (a visitor from Zimbabwe spending one or more nights in the Free State) or an overseas tourist (a resident of Germany staying one or more nights in the North-West Province). A tourist travels for different purposes including business, leisure, conference and incentive (Anon., 2011c).

A tourist is a person who visits a place away from his normal abode for a period of at least 24 hours and who contributes an economic input (Saayman, 2000:5).

In this study the tourist or *visitor* is also the *customer* or *consumer* who attends the festival and who purchases or buys a product, service, show or production at the festival.

BRAND LOYALTY TO ARTS FESTIVALS: CASE OF KKNK

CHAPTER



A REVIEW REGARDING THE ROLE OF BRANDING IN TOURISM MARKETING

2.1 INTRODUCTION

Selling a tourism product implies that one should communicate to others and provide information about the product, thereby introducing the importance of marketing to organisations. Marketing identifies and determines the tourists' needs and wants, which gives a better understanding of the demand. This information can be used to produce products that satisfy the tourists' needs better. One of the goals of a tourism organisation should be to satisfy tourists' needs, as this will result in repurchasing or revisiting of the product, spreading of positive word-of-mouth messages and increased profits. Marketing is a business strategy and process, which does not only create product awareness and provide information, but which also persuade tourists to purchase the product or service. Effective marketing and communication ensure sustainable income for organisations (De Chernatony & McDonald, 2003:10; Holloway, 2004:5; Bowie & Buttle, 2004:7; Wood, 2004:4; Fill, 2005:393; Kotler as cited by Pike, 2008:26; Keller, 2008:2; Morrison, 2010:7; Pride & Ferrell, 2010:4).

In the tourism industry, promotion is very important marketing tool; probably more so than in other industries, because in tourism, the product is the service. When a tourism product or service is being marketed, it is important to keep in mind that the product or service is a

complex bundle of value, which is intangible, inseparable, variable and perishable (Morgan & Pritchard, 2001:10). The tourism product cannot be touched, picked up, examined or tested beforehand and the customer has nothing physical to take away afterwards. The product or service is inseparable from its production and the experience is variable. This means the tourist uses or experiences the product or service while it is being produced, and it cannot be stored for future sale. Thus promotion is critical in tourism and has a greater role in establishing the product's nature than in other industries. According to Morgan and Pritchard (2001:10) promotion is the product, as far as the potential tourist is concerned. When the tourist decides on a holiday package or on attending an arts festival, the decision is purely based on symbolic expectations that have been established promotionally through words, pictures and sounds in other words, the complete brand of the products. Brands create awareness, prominence, reputation, recognition, meaning and value to tourists (Fill, 2005:393; Keller, 2008:2). As tourists experience different brands they soon realise which brands provide quality and satisfy their needs better. As a result tourists learn to trust a brand and will repeatedly purchase or visit that brand. This ultimately leads to increased profits and sustainable income for the tourism organisation (Lin, Wu & Wang, 2000:278; Fill, 2005:293; Keller, 2008:6). Therefore branding plays an important role in tourism marketing.

The purpose of this chapter is to review the literature regarding the role of branding in tourism marketing. This review involves the definition of marketing, a description of the history of marketing, an explanation of the importance of tourism marketing, a description of the marketing activities, a definition of positioning and a description of the role of branding in tourism marketing.

2.2 UNDERSTANDING THE MARKETING CONCEPT

There are many definitions for marketing, because of the different approaches that academics have towards the marketing philosophy as well as the developing stages of marketing. According to Kotler and Keller (2009:45) a short definition of marketing is to meet needs profitably. Human and social needs can be identified and met by marketing. Marketing can be defined as a social process and as an organisational function.

Marketing defined as an organisational function comprises the processes that create, communicate and deliver value to tourists. It also manages tourists' relationships that benefit the organisation and its stakeholders. Burke and Resnick (2000:4) define marketing as the sum of decisions and activities that are taken and performed by organisations to convince or persuade tourists to commit to a particular product or service that has a favourable impression, instead of using other available products and services. According to Morgan and Pritchard (2000:6), marketing can establish a long-term relationship between the organisation and the tourist. Horner and Swarbrooke (2005:6) agree that marketing is concerned with the relationship between the organisation and tourist and that the transactions should satisfy both parties. Marketing is an organisational function and a business philosophy.

These definitions focus on the functions and actions that organisations undertake to persuade tourists to use their products instead of the competition's products and to build a relationship with the tourists. It can be concluded from the above definitions that marketing as an organisational function is important for tourism organisations and art festivals, not only because of the intense competition for tourists but also because tourism products are seen as luxury products and not as a basic need. When a long-term relationship is established, it will lead to repurchasing or repeated visits. Marketing will therefore give an organisation a competitive advantage.

The social definition is distinguished from the organisational definition on the basis of the role marketing plays in society. The social definition describes the process where groups and individuals' needs and wants are identified and satisfied by means of creating, informing, offering and freely exchanging products and services of value with others (Burke & Resnic, 2000:4; de Chernatony & McDonald, 2003:10; Strydom, 2004:1; Horner & Swarbrooke, 2005:8; Grewal & Levy, 2008:5; Kotler & Keller, 2009:45). Accordingly, satisfying the tourists' needs is the central focus of marketing.

In the tourism industry every tourist counts and therefore, as stated above, it is important to know what the needs and wants of tourists are. When these needs and wants have been identified, they can be satisfied, which ensures that the tourist will visit the arts festival again and probably become loyal to the festival.

When the needs and wants have been identified and the product has been created to satisfy these needs, the product should be communicated to tourists to inform them about the product. Fill (2005:7) explains that marketing communication is a management process through which an organisation engages with its various tourists. It is important to understand tourists' communication environment, so that organisations can develop and present messages for their identified markets. Marketing is about getting the *right message* to the *right tourists* by means of the *right communication* mediums (McCabe, 2009:2).

In Table 2.1 the emphasis of the marketing definitions are indicated.

Table 2.1: Marketing definitions

Emphasis	Author
➤ Marketing organisational activities which persuade tourists to commit to a product or service	Horner & Swarbrooke (1996:4); Burke & Resnick (2000:4); Holloway (2004:7); George (2008:4); Kotler & Keller (2009:45); Pride & Ferrell (2010:5).
➤ Marketing establishes long-term relationships	Morgan & Pritchard (2000:6); Pride & Ferrell (2010:9).
➤ Marketing place tourists in the centre of the organisation	Burke & Resnic (2000:4); de Chernatony & McDonald (2003:10); Strydom (2004:1); Holloway (2004:7); Horner & Swarbrooke (2005:8); Grewal & Levy (2008:5); Kotler & Keller (2009:45); Pride & Ferrell (2010:4).
➤ Marketing is about getting the right messages to the right tourists	McCabe (2009:2).
➤ Marketing is about getting to know the tourists and their needs and wants	Horner & Swarbrooke (1996:4); Burke & Resnic (2000:4); de Chernatony & McDonald (2003:10); Strydom (2004:1); Horner & Swarbrooke (2005:8); Grewal & Levy (2008:5);

	George (2008:4); Kotler & Keller (2009:45); Pride & Ferrell (2010:4).
--	--

Table 2.1 illustrates that in the modern times, most authors and resources in marketing tend to focus on getting to know the tourists and their needs and wants as well as to put the tourist in the center of the organisation. Therefore it is agreed that in modern times organisations focus more on the social definition of marketing.

Morrison (2010:7) explains that marketing is a continuous process designed to satisfy both the tourists' needs and wants and the organisation's objectives, which comprise *planning, research, implementing, controlling, and evaluating* activities – the acronym PRICE is used to refer to these activities. However marketing (PRICE) was not always practiced the way it is done today. In the following section, the history and development of marketing will be discussed.

2.3 THE HISTORY OF MARKETING

To better understand marketing, it is necessary to have an understanding of how the concept developed over many years.

Four eras of marketing are distinguished by Wilkie and Moore (2003:116), Strydom (2004:8) and Grewal and Levy (2008:14), namely:

- Production-oriented era: founding the field of marketing;
- Sales-oriented era: formalising the field;
- Marketing-oriented era: Paradigm shift in the marketing mainstream; and
- Value-based marketing era: the shift intensifies – a fragmentation of the mainstream.

2.3.1 Production-oriented era – founding the field of marketing

The production era was between the 1900 and 1920, but according to Jones and Richardson (2007:15) lasted from 1869 until the 1930s. During the production era, organisations focused on a traditional economic theory, thus producing products and finding solutions for production

problems. They were not concerned with satisfying customers' needs or providing service through distribution. This era is also known as the era of the entrepreneur. Organisations believed that their products would sell themselves. According to Strydom (2004:8) the production concept holds that consumers will favour products that are available and highly affordable. At the turn of the century, migration to urban centres, production, technology, transport and storage improved which changed the growth and evolution of distribution systems in the marketplace. Conceptual approaches towards marketing were created during the second half of this era involved the *commodity approach*, which focuses on marketing actions; the *institutional approach*, which focuses on describing the operations of a marketing agency; and the *functional approach* which focuses on purposes served by marketing activities. Marketing was included under the production function and involved advertising and personal selling within distribution of products (Seaton & Bennett, 1996:20; Wilkie & Moore, 2003:116; Strydom, 2004:8; Grewal & Levy, 2008:14; George, 2008:6; Morrison, 2010:8; Pride & Ferrell, 2010:12).

2.3.2 Sales-oriented era – formalising the field of marketing

Between 1920 and 1950 organisations started to realise the importance of selling and advertising their products because they were producing more products than consumers needed. Organisations had many products in stores and no buyers. Therefore they started to focus on advertising the products to inform the customer about the product and its availability, while sales representatives also promoted the products by means of direct personal contact. As the consumer demand grew, the mass production capabilities required more complex and varied distribution systems as well as sophisticated tools. The academic field of marketing became a formalised area of study in response to the opportunities and challenges at the time. The significant development of this era was the creation of a formal infrastructure for the developments of marketing knowledge and the integration of substantive content into a coherent and generally agreed-on view of the field, reflecting “principles of marketing”. The goal of this era was to maximise sales volume by informing customers (Seaton & Bennett, 1996:20; Wilkie & Moore, 2003:116; Strydom, 2004:8; Grewal & Levy, 2008:14; George, 2008:6; Morrison, 2010:8; Pride & Ferrell, 2010:12).

2.3.3 Marketing-oriented era – a paradigm shift in the marketing mainstream

In approximately 1950 the marketing-oriented era thus began, when the customer became the centre of the business. World War II ended and soldiers returned home where they found jobs and got married. The population grew. Customers were financially in a better position to satisfy their needs. The competition among products also increased which provided customers with a bigger variety of products to choose from. Therefore the marketing message, price, quality of the products, the packaging, convenience, distribution and marketing communications of the products became a necessity. More sophisticated marketing techniques were developed. The focus was to satisfy the needs and wants of the customer (Seaton & Bennett, 1996:20; Wilkie & Moore, 2003:116; Strydom, 2004:8; Grewal & Levy, 2008:14; George, 2008:6; Morrison, 2010:8; Pride & Ferrell, 2010:12). Pride and Ferrell (2010:13) pointed out that many organisations decided to determine the customers' needs first and then produce a product that would satisfy those needs, instead of producing a product that customers did not need or want and then spending a lot of effort trying to persuade customers to buy it.

Wilkie and Moore (2003:116) explain that this era's main focus was steeped in science as the basis for marketing through development and that it was devoted to viewing the field from the perspective of marketing managers, in order to help undertake successful marketing programmes. The result of this shift towards the managerial perspective of marketing was the marketing concept; marketing segmentation as a managerial strategy; the marketing mix; the "4 P's"; brand image; marketing management as analysis; planning and control; the hierarchy of effects; marketing myopia; and the wheel of retailing.

2.3.4 Customer-oriented era or value based marketing – the shift intensifies

In the 1960s, organisations realised that there were more to marketing than simply discovering and providing customers with products that they wanted and needed. To compete for customers, organisations had to provide better value than their competitors did. In this era, organisations moved from using a marketing concept to being a marketing organisation. The result was that relationships were built with customers (Wilkie & Moore, 2003:116; Strydom,

2004:14; Horner & Swarbrooke, 2005:10; Jones & Richardson, 2007:15 & Grewal & Levy, 2008:14; George, 2008:7; Morrison, 2010:9).

As marketing evolved, the concept also became more popular among professional groups who provide a service instead of a product, such as accountants, lawyers, educational institutions, charities, local authorities and tourism organisations (who provide an experience). The use of marketing has increased customer awareness and profits for organisations. In all sectors, marketing was adopted on an international scale (Horner & Swarbrooke, 2005:10).

Different eras are identified in the development of the academic field of marketing. During these eras, marketing was affected by distinct approaches which had an influence on the interests in marketing as well as the marketing relationships with society. Robert Bartels (in Wietz & Wensley, 2006:47) describes the development of the marketing concept by dividing the period from 1900 to 1970 into eleven-year periods:

- 1900 - 1910: The Period of Discovery

Marketing was taught in 1902 at the first American college. During this era the focus was on understanding the distribution system, because of the large price variation in agricultural products between producers and customers; popular criticism of high costs; and waste and inefficiencies in marketing. The concept of marketing began in this era, according to Bartels (in Wietz & Wensley, 2006:47).

- 1920 - 1930: The Period of Conceptualisation

In the period of conceptualisation the commodity, institutional and functional approaches were used. The functional approach focused on the activities of the marketing process. These activities included selling and buying, transporting and storing, advertising, research, credit, standardising and grading. The institutional approach was concerned with the marketing institutions, for example merchant wholesalers, agents, brokers, rack jobbers, catalog, general, specialty and department store retailers. These marketing institutions performed marketing activities on various products. Products were centered on by the commodity approach (for

example farming, forestry, fisheries, mining, manufacturing and services) that was processed by marketing institutions.

- 1920 - 1930: The Period of Integration

This period is described as the “Golden Decade” because knowledge in marketing and many sub-disciplines (for example advertising, sales management and salesmanship) were integrated by principles texts. The importance of well-known functions, such as the middle-man, became evident in this period.

- 1930 - 1940: The Period of Development

During this period the “principles” identified in texts were constantly up dated. The first publication of the American Marketing Journal was a significant development that affected thinking on marketing throughout the rest of the century.

- 1940 - 1950: The Period of Reappraisal

Two new conceptual approaches – management and systems – were conceived in this period and the focus was on how to control marketing activities in a business.

- 1950 - 1960: The Period of Reconceptualisation

There is little difference between this period and the previous period, but the traditional concepts of marketing were replaced by more modern concepts of marketing. The traditional functions-institutions-commodities approaches to marketing became less popular this period.

- 1960 - 1970: The Period of Differentiation

Most of the traditional approaches to marketing were replaced with more modern approaches because marketing became specialised into marketing management, marketing systems, quantitative analysis in marketing, international marketing and customer behaviour, for example. During 1960, marketing models and quantitative methods became more popular. The most rapid growth in this period was the development of extended and complex customer behaviour models.

- From 1970: The Period of Socialisation

The focus in this era was a larger social element in the marketing concept. Social marketing was the result of more fundamental concepts. These concepts and techniques of marketing were target marketing, focus groups, survey research and persuasive communication ranging from advertising to personal selling. Marketing thought matured over these periods and eras (Bartels in Weitz & Wensley, 2006:47).

It can be concluded from the above that marketing was already practiced before the 1900's and underwent vast developments to become the concept that it is today, which is customer-oriented and focused on social marketing. Marketing plays an important role to help organisations understand the customers' needs and wants, how to market to themselves and how to sell a product or service.

Before a product can be marketed it needs to be branded, so that customers can easily associate with it and remember it. This ensures that the product is easily identified in future purchases. The various benefits of marketing for organisations and customers will be discussed in the following section.

2.4 THE BENEFITS OF MARKETING

Marketing is important in any organisation and provides multiple benefits to organisations and to the tourists. Many authors identify the same benefits of marketing while others add different benefits. Table 2.2 indicates the benefits and importance of marketing.

Table 2.2: *Benefits of marketing*

BENEFITS OF MARKETING	AUTHORS
Identifies the needs and wants of tourists by means of market research to better understand the tourist.	Horner & Swarbrooke(1996:6); Bowie & Buttle (2004:8); Bowie & Buttle (2004:25); Wood (2004:4); George (2008:9); Holloway (2004:7); Morrison (2010:23); Morrison (2010:23).
Determine the drivers of demand and reacting upon it.	Bowie & Buttle (2004:25); Saayman (2002:315); Holloway (2004:7).
Delivers tourist satisfaction by meeting their needs, which results in repeated purchasing of the product.	Seaton & Bennett (1996:6); Horner & Swarbrooke (1996:6); Bowie & Buttle (2004:8); Weitz & Wensley (2006:20); Wood (2004:4); Saayman (2002:315); George (2008:9); Holloway (2004:7); Pride & Ferrell (2010:18); Morrison (2010:23).
Builds long-term relationships between the tourist and the tourism organisation – Customer loyalty.	Bowie & Buttle (2004:8); Wood (2004:4); Saayman (2002:315); Pride & Ferrell (2010:9).
Increases the volume and the value of transactions and selling of tourism products, for example more tourists visiting the arts festivals, more bed nights, and more tickets being sold for a show etc. This leads to	Seaton & Bennett (1996:6); Horner & Swarbrooke (1996:6); Bowie & Buttle (2004:25); Horner & Swarbrooke (2005:11); Wood (2004:5); George (2008:9); Pride & Ferrell (2010:18).

improved profits.	
Improves the spreading of demand during peak season to off-peak season.	Bowie & Buttle (2004:25).
Tourist awareness about the tourism product is enhanced by means of marketing.	Horner & Swarbrooke (2005:11); Fill (2006:10); Wood (2004:4); Pride & Ferrell (2010:19); Shimp (2010:6).
Enhances the profile and image of the tourism organisation.	Horner & Swarbrooke (2005:11); Shimp (2010:6).
Promotes desired tourism products.	Weitz & Wensley (2006:20); George (2008:9); Shimp (2010:7).
Stimulates market demand for larger consumption by persuading the tourist to purchase the product.	Weitz & Wensley (2006:20); Fill (2006:10); Holloway (2004:7).
Market learning is provided by means of sales representatives and advertising mediums, which provides information about the product.	Weitz & Wensley (2006:20); Fill (2006:10); George (2008:9); Pride & Ferrell (2010:19).
Previous experiences can be reinforced to remind the tourists of their need and the benefits provided by the product in past purchases. This leads to repurchasing of the product and gives competitive advantage during the tourist decision making process.	Fill (2006:10).
Marketing differentiates one product or brand from another product or brand. This is important when similar tourism products are for tourists, as competition is intense in the tourism industry.	Fill (2006:10); Wood (2004:4).
Attracts new tourists.	Saayman (2002:315).
Targets specific markets.	Saayman (2002:315); Pride & Ferrell

	(2010:4).
Marketing provides a marketing plan to achieve the organisation's objectives.	Seaton & Bennett (1996:6); Pride & Ferrell (2010:18); Shimp (2010:7).
Determines new trends and needs in the ever changing market by means of market research. This leads to satisfied tourists and sustainable income.	Pride & Ferrell (2010:18).
Marketing helps to determine the value and flaws of the product. Products can therefore be improved to better satisfy tourists and to ensure repeated purchases.	Pride & Ferrell (2010:18); Morrison (2010:23).
Effective use of marketing expenditures and human resources.	Morrison (2010:23).

Table 2.2 shows that the most important benefit of marketing is to deliver tourist satisfaction by meeting their needs, which results in repeated purchasing of the product.

It is agreed that to ensure the tourism organisation has a sustainable income, marketing and communication are needed to sell the product. Marketing is a business strategy and process which is used to communicate and persuade tourists to purchase the tourism products in question. The marketing mix can be used as a communication tool to create product awareness and to provide information about the product, such as the product benefits, how the needs of the tourist can be satisfied, what makes it different and better from similar products, where and when the product is available, and the price of the product.

The marketing mix will help to establish the brand name of the product, so that it is easily remembered and identified by tourists. The tourists can use brands to simplify the decision making process and provide a competitive advantage to the organisation. This will ensure repeated purchasing of the product or repeated visits to the tourism product. In the following

section the difference between tourism marketing and general marketing will be clarified and the concept of tourism marketing will be discussed.

2.5 TOURISM MARKETING

Tourism comprises a variety of components and role players which makes it difficult to market and promote tourism. Each of the role players and components has their own objectives and goals. In short, marketing is a process in development involving the transfer of products and services from a supplier to a tourist. It implies business activities and steps that are taken to determine the nature of a potential market and to ensure that the strategy to be implemented is suitable to satisfy the needs for profit and to attract more tourists. Needs can be complex and may range from basic needs such as food, safety and clothing, to needs like self-expression and a sense of belonging. Wants are the way in which people communicate their needs and can be described as objects that will satisfy their needs. Tourism marketing is concerned with fulfilling *wants* and not needs – for example, people usually do not go on holiday or visit an arts festival because they *need* to, but because they *want* to (George, 2008:4). These needs or wants are also the main goal of marketing (Saayman, 2002:315; Saayman, 2004:238). Figure 2.1 illustrates that tourism marketing consists of three phases, which makes it a dynamic process: firstly, determine what the tourists want; secondly, create it; and thirdly, sell it to the tourists.

Tourism is defined by Saayman (2004:242) as the total experience – that is created when there is interaction between tourists, job providers, the government system and communities in the process of attracting, entertaining, transporting and accommodating tourists. A tourist is defined as a person who travels away from his/her normal abode and stays at a destination for longer than 24 hours and has an economic impact on the destination (Saayman, 2004:242; Morrison, 2010:39). The United Nations World Tourism Organisation (UN-WTO), in George (2008:20)

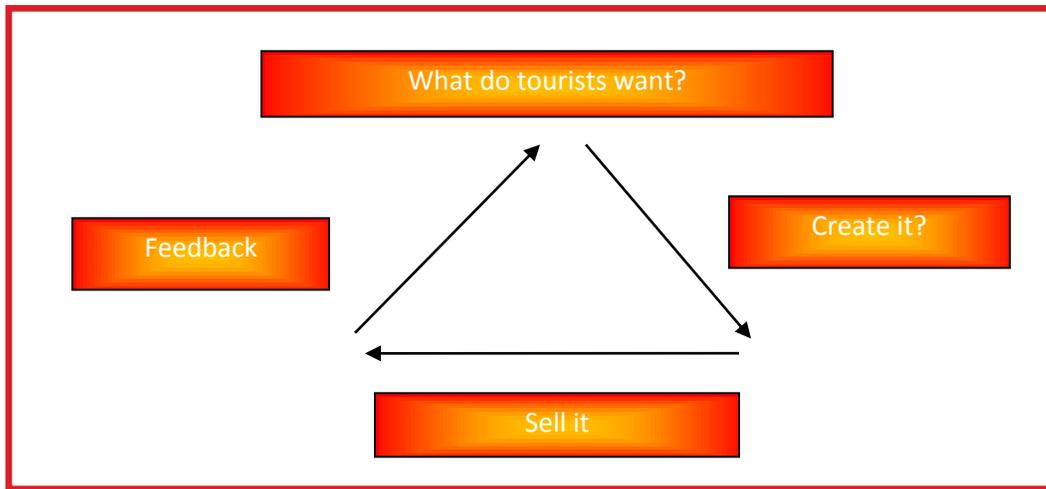


Figure 2.1: Phases of marketing

Source: adapted from Saayman, (2002:315; 2004:238)

defines tourism as the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. Most academic writers define tourism as a recreational activity carried out in leisure time away from home over a limited period. George (2008:21) disagrees with these definitions and emphasises that:

- Tourism is not restricted to overnight stays and should include excursionist (same-day-visitors) or international excursionists (cruise-ship passengers visiting a port and not staying overnight or people traveling for shopping or trade purposes)
- Tourism includes travel but travel does not always include tourism, for example traveling to school.
- Tourism is not restricted to the travelling of those who travel for leisure. Travelling for business, social, religious, educational, sports, health and other purposes provided that the destination is established outside the usual work and home place – should also be included in the definition.

To explain tourism marketing, it is necessary to analyse the tourism product. It is believed that the basic marketing principles (understanding the market, research, planning and the marketing mix) can be applied to tourism products and that it is similar to any other type of marketing.

However, tourism products differ and consumers will differ accordingly, which makes this approach unfeasible. A tourism product involves three elements, namely the physical element, the service element and the experience element (see Figure 2.2).

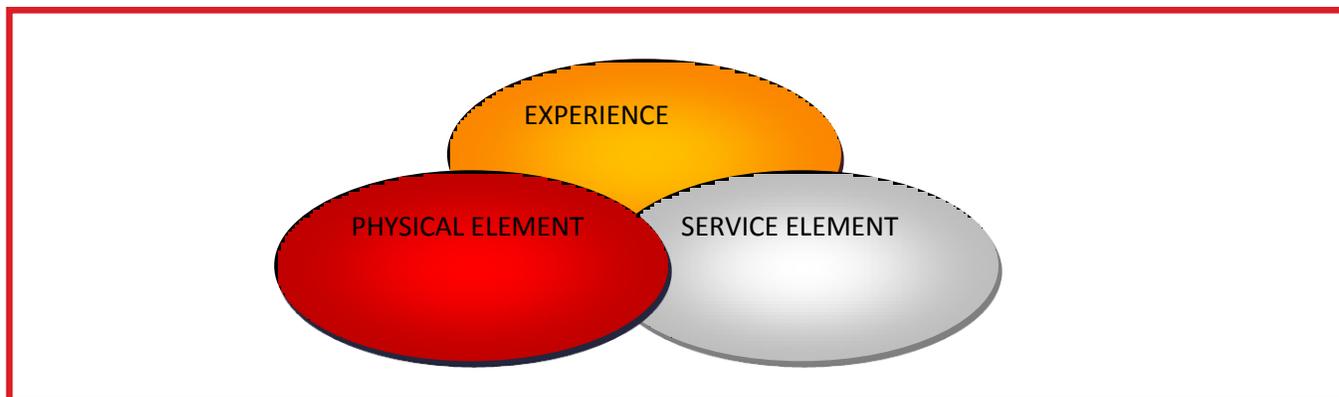


Figure 2.2: Core elements of the tourism, hospitality and leisure product

Source: Saayman, (2002:317)

The first element is physical or tangible (buildings, food, vehicles). The second element is a service component and is often misinterpreted, as it should be kept in mind that tourism involves more than a service. The third element is the lasting experience, which is the result of tourism contribution. The experience element is the most important of all and cannot function without the other two elements. Together with branding, it can help to develop products and portray a specific message about experiencing the product in advertising campaigns. This is the element which the tourist will remember and which they will use as a comparison tool when they have to decide on a product. The uniqueness of tourism marketing is that the marketer is competing for the tourist's disposable income and spare time: a tourist does not *need* tourism offerings such holidays, but wants or desires it. It can be assumed that this challenges the tourism marketer to create value and promote the branded experience in such a way that the tourist will desire the tourism offering and will purchase it instead of a competitor's offering.

Therefore tourism marketing can be defined as a process of creating, pricing, disseminating and promoting a quality product and experience based on needs or wants in order to attract tourists. In short, it involves creating and selling the right product to the right market at the right time and

right price (Saayman, 2002:318; Saayman, 2004:245; George, 2008:23). This makes it important for the marketer to analyse the tourists' behaviour.

Figure 2.3 illustrates the marketing activities that need to be carried out for successful marketing, just as in any business, but it also illustrates where branding fits in the marketing process.

Figure 2.3 will be discussed in more detail, with focus on the understanding of demand, marketing of supply and marketing outcome.

2.5.1 Understanding demand

To understand the tourist's behaviour and needs, it is necessary to go to great lengths to gain a better grasp of the tourist's behaviour during the purchasing process. The tourist's behaviour is defined as a mental and emotional process and the physical activities that tourists display in searching for, purchasing, using, evaluating and disposing of products or services that they expected to satisfy their needs (Bearden, Ingram & Laforge, cited by Slabbert & Saayman, 2008:412; George, 2008:169). Thus it is important to determine the tourist's needs and to create a product or service by means of market research in such a way that it will satisfy those needs. Satisfied tourists can become brand loyal tourists, in other words, tourists who make repeated visits or who repeatedly purchase a specific brand over a certain period of time, and who also make word-of-mouth recommendations (Lin, Wu & Wang, 2000:279; Story & Hess, 2006:406; Pike, 2007:54). Brand loyal tourists are seen as an asset to the tourism organisation.

Loyal tourists are important for the following reasons:

- They provide repeated visits and purchasing of the tourism product, which ensures a sustainable income for the organisation.
- They ensure a competitive advantage by resisting the competing product or organisation.
- Long-term relationships are built between the tourist and the organisation.
- Tourists learn to trust the organisation.
- Retaining existing tourists reduces marketing costs and efforts.
- Word-of-mouth recommendations to family and friends generate more new tourists.

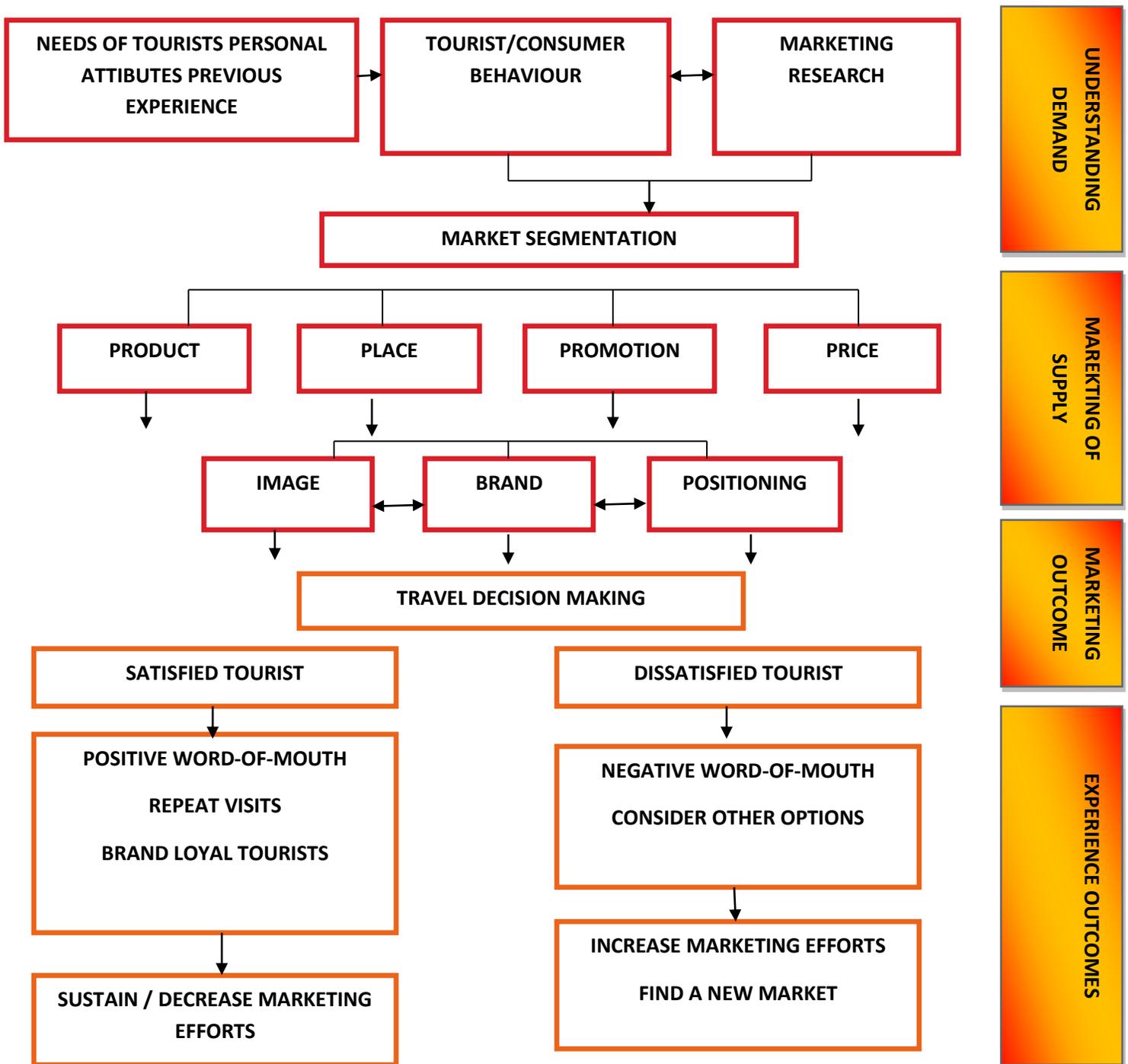


Figure 2.3: Marketing activities for the tourism, leisure and hospitality industries

Source: Slabbert & Saayman, (2008:411)



Figure 2.4: Satisfied tourists

Source: Adapted from Slabbert & Saayman, 2008:412)

- They are willing to pay more for a product or service that they trust and that satisfies their needs (Kim, Kim, Kim, Kim & Kang, 2006:75; Story & Hess, 2006:407; Opperman, 2000:78).

There are three key elements regarding the tourists that the marketer should know: who are involved in the purchasing process, tourists' criteria when making purchase decisions, and what influences the purchase decision.

2.5.1.1 Participants in the purchasing process

A participant can have more than one role in the purchasing process.

Table 2.3: Participants in the purchasing process

PARTICIPANT	ROLE IN PURCHASING PROCESS
Initiator	Responsible for the gathering of information and starting the purchase process.

Influencer	Influences others in decision based on his/her own criteria.
Decider	Decides on the ultimate choice regarding the product to purchase.
Buyer	Conducts the transaction. Purchases the product, service or package.
User	Consumes and experiences the product or service.

Source: Slabbert & Saayman (2008:412)

The marketer should know who is responsible for the purchasing of the product, especially during the group or family purchases, to direct the marketing communication to the right person at the right time (Slabbert & Saayman, 2008:412).

2.5.1.2 Decision making process

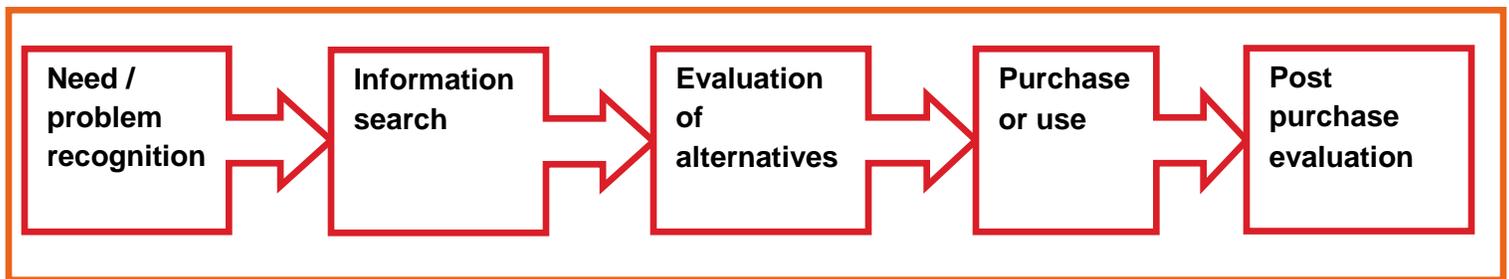


Figure 2.5: Customer buying decision process

Source: Adapted from Pride & Ferrell (2010:196)

The decision making process starts when a potential tourist becomes aware of a need or desire, for example the need to relax or the desire to spend time with his/her family. These reasons will be weighed against the available time and money. Marketers can use these needs to portray desired holidays and destinations that might influence the tourist's desire to get a way. There are many tourism products and destinations to choose from therefore the tourist starts with an information search to identify the product that will best address the need in question. There are two aspects to the information search, namely the internal search and external search. During the internal search, the tourist searches his/her memories and past experiences to find

information about the products. If the tourist does not have sufficient information, he/she seeks additional information externally such as advice from family and friends, the internet, tourism magazines, tourism information offices, travel agencies etc.

The information that was gathered yields a group of brands that tourists view as possible alternatives. These alternatives will be evaluated in terms of the tourist's preferences or criteria, which may include cost, quality, convenience, recommendation, time available, status and family life cycle. After the evaluation of the alternative products, the tourist decides on one and purchases that product. The experience of the product and the level of satisfaction will serve as the post-purchase evaluation, which will determine if the tourist will purchase the product in the future (Fill, 2006:150; George, 2008:176, Slabbert & Saayman, 2008:413; Pride & Ferrell, 2010:196).

Therefore it can be concluded from the above that the tourism organisations should focus on the tourists' complete experience with the tourism product because experience plays an important role and will be considered during the decision making process from the first step in decision making, the recognition of a need, to the last step, post purchase evaluation. The experience of the product and the level of satisfaction can influence the tourist's behaviour and loyalty towards the tourism brand.

2.5.1.3 Factors that influence the tourist behaviour

Situational and psychological influences are involved in the tourists purchase decision making process. Situational influences are the result of circumstances, time and location and can be categorized in physical surroundings, social surroundings, time perspective, reason for purchase and the buyer's momentary mood and condition. A tourist may for example decide to take a shorter holiday to a destination closer to the tourist's residential area. Psychological influences determine the tourist's general behaviour and include motives, perception, learning, attitudes, personality and self-concept and life-style. These influences operate mainly internally but can be also affected by social forces such as friends and family, and may vary from a high to a low degree of involvement during the purchase decision making process (Fill, 2006: 156; Slabbert & Saayman, 2008:413; Pride & Ferrell, 2010:198).

Therefore it is important to the marketer to know who the potential tourists are and what influences their purchase behaviour. This knowledge is gained by market research.

2.5.2 Marketing of supply

Marketing of supply involves marketing research, market segmentation and the “four P’s”, as illustrated in Figure 2.4.

2.5.2.1 Marketing research

The American Marketing Association (AMA) (in Morrison, 2010:168) defines market research as a function which links the consumer, customer and public to the marketer through information. Market research is systematically designed to collect, analyse, interpret, and to report information which can be used to:

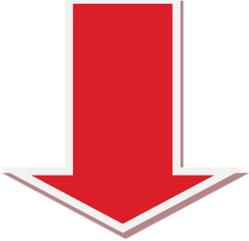
- Identify and define marketing opportunities and problems.
- Generate, refine and evaluate marketing actions.
- Monitor marketing performance.
- Improve understanding of marketing as a process (Seaton & Bennett, 1996:88; Wood, 2004:15; Holloway, 2004:59; George, 2008:104; Pride & Ferrell, 2010:130; Morrison, 2010:168).

Market research is becoming increasingly important because it assists the marketer to develop detailed knowledge of the consumers, so that the market can be reached better through the appropriate marketing mediums and so that the risk of decision making is also reduced for the tourist (Morrison, 2010:168). It should be kept in mind that the market place (customers and competitors) and technology are constantly changing. For example, e-commerce and internet marketing are phenomena which only developed in recent years. Regular research of the market will enable the marketer to keep up with the changing market environment and therefore to adapt the marketing strategy according the acquired information.

Research is not only about obtaining information but also about managing information to improve marketing efforts.

Table 2.4 indicates the important activities in the marketing research process (Seaton & Bennett, 1996:88; Wood, 2004:15; Holloway, 2004:59; George, 2008:104; Slabbert & Saayman, 2008:413; Pride & Ferrell, 2010:130; Morrison, 2010:168).

Table 2.4: An integrated marketing research process

STEPS IN MARKETING RESEARCH	DESCRIPTION OF PROCEDURES
<p>1. Identify and define the problem</p> 	<ul style="list-style-type: none"> • Work closely with the marketing executive to gather background information and to help determine the problem. • Internal secondary research data and relevant external secondary research can be checked for preliminary guidance. • Write the problem statement. • Focus on the problem and not the symptoms.
<p>2. Develop a research design</p> 	<ul style="list-style-type: none"> • State research objectives based upon the problem statement. • Decide on a research type: <ul style="list-style-type: none"> - Exploratory research is done to better understand the problem and its background. It also identifies additional data needed. This includes literature reviews, case analyses, interviews or focus groups. - Descriptive research is used to describe one or more formal research questions by means of developing a survey with a sample of the population. This research includes cross-

sectional surveys, panel studies, product movement surveys, as well as interviews.

- Causal research is an in-depth study which involves cause-and-effect relationships and comparisons. This includes experiments where the independent variables can be manipulated.

3. Investigate the available sources and decide on type of data



- Decide which research data is needed:
 - Primary data is observed, recorded or collected directly from the respondents for a specific research question. This is costly to obtain and is usually gathered during surveys. This data is more credible.
 - Secondary data is existing data collected for other purposes than for the current investigation. This data is compiled inside and outside the organisation and is available for a variety of sources.
- Decide if the secondary research data is sufficient or if primary research will also be needed.
- Determine the most appropriate primary research method.

4. Undertake financial appraisal

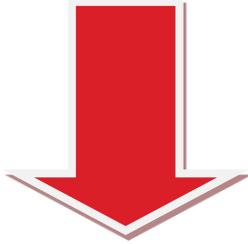
- Determine the costs of the research and establish a budget.

5. Conduct data collection (Fieldwork)



- Collect secondary research data from external and internal resources.
- Use quantitative and/or qualitative research methods to gather primary research data.
- Develop a survey or questionnaire as tools for primary research data.
- Pretest these tools on a representative sample. The representative should be willing and able to participate in the research.
- Decide on the type of sampling:
 - In probability sampling, every person in the population has a known chance of being selected for the study.
 - In non-probability/random sampling, everyone in the population has an equal chance of appearing in the sample. This is based on the researcher's judgment.
 - The sample size is based on the anticipated response rate, the variability in the data, cost and time considerations and the desired level of precision.
- Determine which type of primary research methods are appropriate:
 - Individual in-depth interviews
 - Focus groups
 - Mail surveys
 - Telephone surveys
 - Internet surveys
 - Experiments
 - Observation

6. Analyse and interpret the collected data



- Summarise the secondary data.
- Capture the primary data in a computer programme (SPSS or ATLAS).
- Analyse the data by means of a variety of techniques such as frequency distributions, means and percentages, and complex multivariate statistical tests.
- Write up the analysis of the data.

7. Present the research report

- Make conclusions and recommendations.
- Determine areas for future study.
- Write the research report and design a presentation.
- Present the research report to stakeholders and incorporate their inputs.

Source: Slabbert & Saayman (2008:414)

The marketing research process in Table 2.4 plays a key role in marketing and enables the marketer to understand the market better and to measure the satisfaction levels of consumers better. Research can identify the gaps in the marketing mix and the changing trends and needs of consumers. Therefore the marketer can use the information to redevelop or change the marketing mix or the product in accordance with the ever changing market environment, to make the organisation sustainable. It assists the marketer and reduces the risks when marketing decisions are made.

The acquired information can be used to provide information regarding the potential markets during the segmentation process to determine the profile of the target markets and to ensure effective marketing.

2.5.2.2 Market segmentation

All consumers have the same basic needs, but they have different social, ego and self-actualisation needs. It is important to note that a holiday is not a basic need or a necessity but rather a desire or a want. The tourism, hospitality and leisure industry provides various products to satisfy different social, ego and self-actualisation needs and wants, which makes it impossible to serve the total market. Therefore the market needs to be divided and clustered into smaller groups with similar needs and wants. Market research can be used to determine which groups have similar needs and attributes.

Market segmentation involves dividing or grouping tourists within the total market into identifiable smaller and more clearly defined groups or segments (homogeneous groups) that share similar needs, wants, characteristics, attitudes or behaviour. As a result, marketing strategies can address and target markets more effectively (Seaton & Bennett, 1996:31; Wood, 2004:95; Holloway, 2004:102; Fill, 2006:328; George, 2008:141; Slabbert & Saayman, 2008:415; Pride & Ferrell, 2010:161; Shimp, 2010:98; Morrison, 2010:207).

2.5.2.2.1. The importance and benefits of market segmentation

The main purpose of marketing segmentation is to understand the market better, so that effective marketing efforts may be implemented. Marketing segmentation identifies and profiles markets with different degrees of buying potential based on certain criteria. The objective is to create promotional messages for the product so that it appeals to the target segments (George, 2008:141). Market segmentation has various benefits which are of importance to organisations, namely:

- It determines and defines the market's profile and their needs and wants to better meet or satisfy their needs.
- It eliminates markets that are inaccessible or inappropriate, which saves valuable resources such as time and money.

- It improves market efficiency (Wood, 2004:96).
- It enables more effective positioning (Morrison, 2010:208).
- It enables the tourism organisation to develop an effective and cost-effective marketing mix such as devising an advertising campaign or sales promotion.
- Effective utilising of resources can be guaranteed.
- Competitor advantage can be gained by focusing the organisation's resources on the market.
- Satisfied tourists return to the organisation, which indicates that tourists develop a trust in the organisation and that they spread positive word-of-mouth messages.
- A long-term relationship can be established with a specific customer group (Slabbert & Saayman, 2008:416 & George, 2008:141).

2.5.2.2.2. Market segmentation process

There are three to six steps in the marketing segmentation process, according to different authors. Wood (2004:98) identifies three steps in marketing: Choose the market to be segmented; apply appropriate segmentation variables; and evaluate and select segments for the targeting. Pride and Ferrell's (2010:161) marketing segmentation process consists of five steps: Identify the appropriate targeting strategy; determine which segmentation variables to use; develop market segment profiles; evaluate relevant market segments; and select specific target markets. Slabbert and Saayman (2008:418) describe six steps: analyse the product, analyse the total market; profile the market by means of segmentation variables; select a market; position the product or service; and create a marketing mix that is appropriate for the targeted market.

The following integrated process will ensure effective marketing:

Table 2.5: Market segmentation process

STEPS IN SEGMENTATION PROCESS	DESCRIPTION
1. Analysing the product	All the characteristics and attributes of the current product should be listed. Further developments should also be considered.
2. Analyse the total market and choose the market	Identify the total market and potential market. Distinguish between international and domestic markets and real and potential markets.
3. Profile the market	The following variables can be used: <ul style="list-style-type: none"> • Demographic • Geographic • Psychographic • Behaviouristic • Socio-Economic (Wood, 2004:100; Fill, 2006:329; Holloway, 2004:103; Seaton & Bennett, 1996:34; Slabbert & Saayman, 2008:418-422; George, 2008:142; Morrison, 2010:213; Pride & Ferrell, 2010:165; Shimp, 2010: 99) • Lifestyle • Expenditure (Slabbert & Saayman, 2008:421) • See Figure 2.6 • This information can be used to determine and describe the profile (who the market is) and what marketing approaches will reach them.
4. Evaluate relevant market segments to select one or more markets	Identify several relevant market segments. Analyse and eliminate certain segments using factors such as sales estimates, competition and estimated costs associated with the segments.

	<p>The following criteria can be used to select markets.</p> <p>Markets should be:</p> <ul style="list-style-type: none"> • Measurable • Accessible • Substantial • Reliable • Durable • Competitive • Profitable • Sustainable <p>This will effectively assist the marketers to select target markets.</p>
<p>5. Positioning the product/service</p>	<p>It is about creating a desired meaning in the tourist's mind in comparison to what the tourist's feelings and thoughts are about competitor's brand (Shimp, 2010:131). Therefore the product should be positioned in the tourists mind with the competitive advantage to ensure that the product is selected during the purchase decision making process.</p>
<p>6. Marketing Mix</p>	<p>Develop a marketing mix that is appropriate to the targeted market, meaning that the marketing message will reach the right market, at the right time, by means of the right marketing medium. This will save money.</p>

Source: Slabbert & Saayman (2008:418)

This market segmentation process in Table 2.5 should be done on a regular basis because the needs and trends of the market are constantly changing.

The first three steps of the market segmentation process can be compared with building an unknown puzzle. Firstly it should be decided which puzzle to build; secondly the pieces of the specific puzzle should be sorted from all the other puzzle pieces in the toy box. Thirdly, the

puzzle pieces are sorted and grouped according to the puzzle frame and the inner puzzle pieces (variables). Fourthly, build the puzzle and determine the picture of the puzzle (market profile). When the picture is clear, the market is identified - the product can then be positioned in the mind of the tourists and an appropriate marketing mix can be developed.

Market segmentation plays an important role in the marketing strategy as it defines the tourists' needs and wants and determines the marketing objectives (George, 2008:142).

2.5.3 Effective marketing

Effective marketing can be summarised as using resources such as people, money and material as effectively and efficiently as possible. The aim of marketing is to maximise profit and growth over a long period of time. The following elements identified by Foster (in Saayman, 2002:315) should be taken into consideration during marketing:

- Decisions must be informed by the consumer and his/her needs.
- Marketing is a business process which should proceed orderly and systematically and which demands planning, implementation and control.
- It should be an integrated department.
- Tried and tested methods and systems that are based on scientific research in the business environment must be used.
- Changes should be emphasised strongly.
- It is a method to achieve a dynamic business strategy.
- It is a form of management by objectives.

Marketing can be summarised by the following key characteristics of marketing:

- Meeting customer needs
- Attracting new customers
- Reacting to market trends
- Keeping up with competitors
- Encouraging consumer loyalty

- Targeting specific markets
- Identifying marketing opportunities
- Noting feedback from customers
- Getting it right the first time (Saayman, 2002:315).

It can be agreed with Saayman (2002:315) that the above key characteristics of marketing influences the effectiveness of marketing and can be implemented the marketing mix.

2.5.4 The 4 P's or the marketing mix

The term *marketing mix* was first used in the 1900s, and over time gained universal acceptance. Reid and Bojanic (2001:13) identify two approaches to marketing, namely the traditional marketing mix and the hospitality marketing mix. The hospitality and tourism industry focuses on tourists' wants and needs and markets the product-service or experience according to the mix. This operation can be managed by mixing the components of the marketing mix into a marketing programme or plan, which reaches the potential tourists and their needs and wants. These marketing mix components can be seen as the tools of the marketers. Before the marketing mix can be developed, in-depth and up-to-date information about the tourists' needs must be collected (Pride & Ferrell, 2010:7) Good marketers understand the tourist's view of the organisation and build a relationship with tourists based on trust.

The traditional marketing mix involves the product, price, place and promotion while the hospitality and tourism marketing mix involves the product-service mix, presentation mix and communication mix. According to Bowie and Buttle (2004:27) it also involves the physical environment, process, marketing communication and people.

2.5.4.1 Traditional marketing mix

The traditional marketing mix comprises four components which are known as the "four P's": product, price, place (distribution) and promotion. These four P's can be used by the tourism organisation to control the planning and implementing of the marketing strategies to meet the marketing objectives.

Figure 2.6 illustrates a summary of the different segment variables

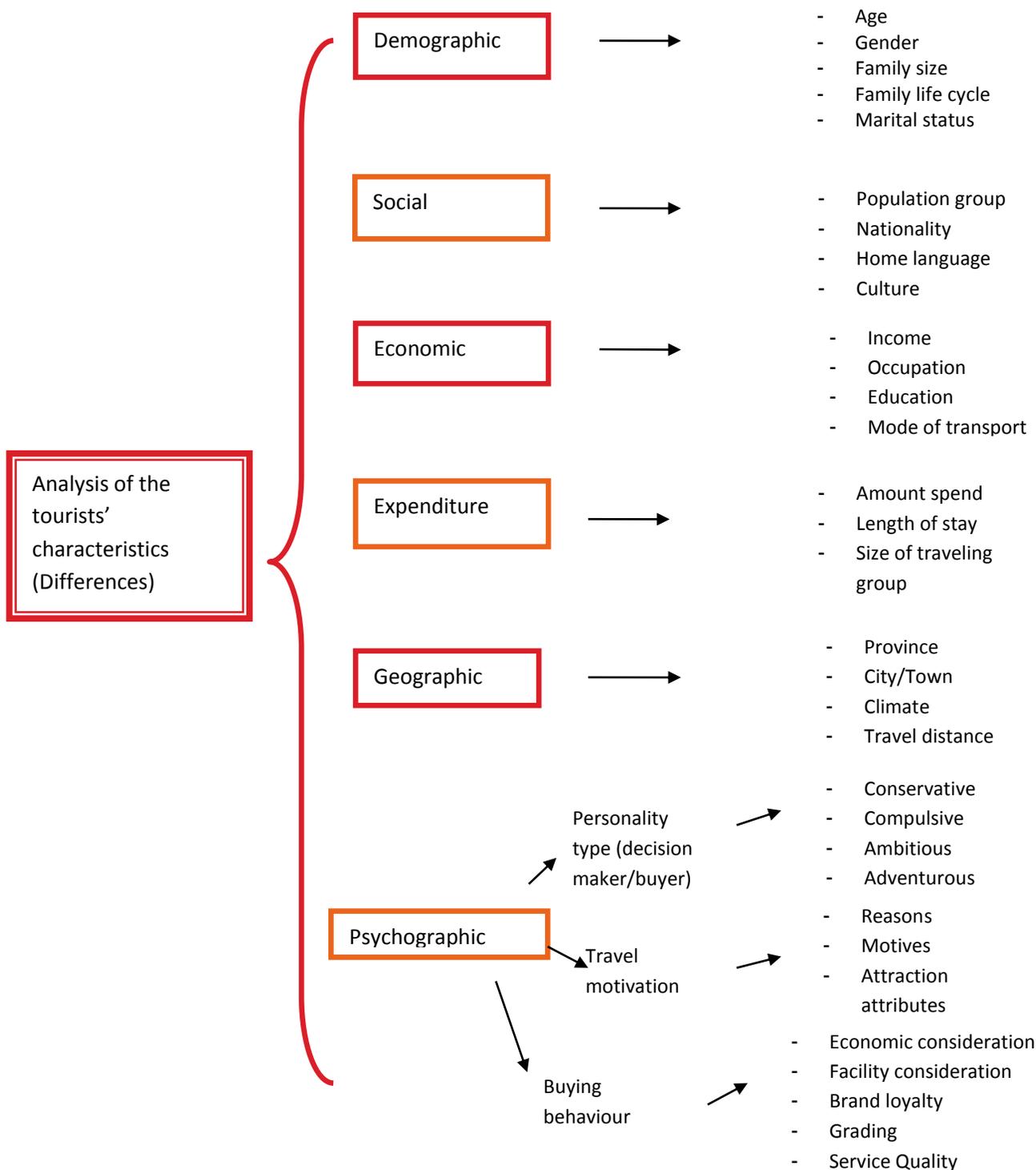


Figure 2.6: Basic marketing segmentation classification

Source: Adapted from Slabbert & Saayman (2008:422)

2.5.4.1.1 Product

A product is the offering of a unique combination of goods, services, ideas and experiences to tourists that are produced to satisfy their needs, wants and desires. Products or services can be tangible or intangible (Burke & Resnick, 2000:91; Morgan & Pritchard, 2000:7; Reid & Bojanic, 2001:15; Strydom, 2004:105; Bowie & Buttle, 2004:27; Horner & Swarbrooke, 2006:82; Lehmann & Winer, 2008: 115; Grewal & Levy, 2008:7; McCabe, 2009:185; Pride & Ferrell, 2010:7). According to Reid and Bojanic (2001:14) quality, attributes, the size of the product line, the services such as installing, warranties and guarantees of a product, influence the product decisions. Creating and modifying brand names and packaging are also part of the product variables. To maintain a sustainable income, the organisation should modify and develop new products or services to satisfy the tourist's needs in the constantly changing environment (Pride & Ferrell, 2010:8). Product and market research will assist in determining the changes. Examples of tourism products are an arts festival, a boat cruise, a guest house, a restaurant, a camping suite, a conference facility and a holiday resort.

2.5.4.1.2 Price

Price is the value of a product or service that reflects its value to the tourists - this makes it a critical component in the marketing mix (Burke & Resnick, 2000:91; Morgan & Pritchard, 2000:6; Reid & Bojanic, 2001:15; Strydom, 2004:105; Bowie & Buttle, 2004:27; Holloway, 2004:53; Horner & Swarbrooke, 2006:101; Lehmann & Winer, 2008: 115; Grewal & Levy, 2008:10; Pride & Ferrell, 2010:9). Horner and Swarbrooke (2006:101) mention that there should be a balance between the price and gaining the tourists' (target market) acceptance and making a profit for the organisation to ensure success. Grewal and Levy (2008:10) describe price as everything the tourist gives up (money, time and energy) in exchange for the product. When establishing a price, the organisation should take the following in consideration: the actual costs to provide and distribute the product or service, the profit margin needed by the organisation, the current demand for the product, and the competition's prices for their product and services (Burke & Resnick, 2000:92; Holloway, 2004:53). In the tourism industry the products usually have a predictable price range. Bowie and Buttle (2004:27) suggest that a hospitality organisation should consider the following when making price decisions:

- Setting the tariff, or rack rates
- Agreeing the level of discounts for key accounts
- Pricing all-inclusive packages (conferences, functions and leisure breaks)
- Developing special priced promotions to increase sales during off-peak seasons.

These pricing decisions influence the demand, profitability and the image of the hospitality organisation. An example of a tourism price for a product is R80.00 per ticket for a drama show at the *Klein-Karoo Nasionale Kunstefees* (KKNK National Arts Festival).

2.5.4.1.3 Place

Place is concerned with the manner in which the product or service is delivered to the tourist; it is also referred to as distribution (Bowie & Buttle, 2004: 27; Reid & Bojanic, 2001:14; Strydom, 2004:105; Holloway, 2004:53; Morgan & Pritchard, 2000:7). Place (distribution) comprises the activities that are needed to get the right product to the right tourist at the right time, when it is needed (Grewal & Levy, 2008:10; Burke & Resnick, 2000:92; Pride & Ferrell, 2010:8). Place is an important aspect of marketing because if the product is not accessible (even if the tourist is willing to pay the price for it) the tourist's product decision will be influenced negatively and this may give a competitor an advantage (Morgan & Pritchard, 2000:6; Horner & Swarbrooke, 2006:116).

2.5.4.1.4 Promotion

Promotion is the marketing communication methods that are used to inform the target market about the product and to persuade them to buy the product or service. Promotion is a highly visible, public face of marketing; therefore marketing is promotion. If a tourism organisation cannot communicate effectively with its target market, unsold services and products may result (Burke & Resnick, 2000:92; Reid & Bojanic, 2001:14; Strydom, 2004:105; Holloway, 2004: 53; Horner & Swarbrooke, 2006:127; Grewal & Levy, 2008:11; Pride & Ferrell, 2010:8).

The promotion of a product or service can include the following techniques or key elements:

- Advertising

- Brochures
- Press and public relations
- Sales promotions
- Personal selling
- Direct mail
- Sponsorship
- Point of sale material
- Print and publicity material
- Brand
- Website design (Horner & Swarbrooke, 2006:127; Bowie & Buttle, 2004:28).

These promotion techniques or key elements can be used to communicate, inform, educate, create awareness and persuade the tourists in a creative manner to purchase a product or service. It can also build long-term relationships with tourists. Examples of this are the KKNK arts festival T-shirts and hats that are sold or given away during shows, and the KKNK arts festival's website which communicates and provide information about the shows and art displays that will be available during the festival.

2.5.4.2 Hospitality and tourism marketing mix

The four P's are widely used in the marketing industry but in the hospitality and tourism industry the four P's are often extended to more P's. Bowie and Buttle (2004:28), George (2008:34) and McCabe (2009:184), for instance, also add people, *physical evidence or environment and processes*. Burke and Resnick (2000:92) identify the *physical environment* and *purchasing process*, in line with McCabe (2009:184) and Bowie and Buttle (2004:28), but they also add the two P's of, *packaging* and *participation*. Reid and Bojanic (2001:15) add another three P's to the original four P's, namely *product-service mix*, *presentation mix* and *communication mix*.

The three P's which Bowie and Buttle (2004:28) and McCabe (2009:184) have added to the hospitality and tourism marketing mix are discussed below.

2.5.4.2.1 People

“People” include tourists and employees in the service marketing mix. Tourists interact with one another while on the premises and also with the employees. Therefore it is a critical element of the tourist’s experience and satisfaction. Human resources have an input during the operation in a process known as internal marketing – in other words, tourists should be influenced to have a positive attitude towards the product and they should receive excellent service from the employees. The result will be positive word-of-mouth communication (Bowie & Buttle, 2004:28; George, 2008:34; McCabe, 2009:184; Morrison, 2010:56).

2.5.4.2.2 Physical environment (Physical evidence)

The physical environment is important for the hospitality and tourism industry. According to Burke and Resnick (2000:93) it is important in two ways: firstly because it is the environment in which the sale will take place and secondly because it is where the product is produced and used. Tourists will be more likely to purchase a product in a comfortable and pleasant setting and therefore the marketing strategy should take it into account when the product is being marketed. In tourism the product can consist of tangible features (the external appearance of the premises – landscaping, lighting, signage and décor of the facilities) and intangible features that are linked to physical evidence (the ambience or atmosphere and the product’s appeal to the tourist). The environment where the tourists experience the product can be important for securing repeat purchases or visits (Bowie & Buttle, 2004:28; George, 2008:34; McCabe, 2009:184).

2.5.4.2.3 Processes

The processes through which tourists buy and use hospitality and tourism products are crucial to marketers because the product is being consumed as it is being produced. Important processes include the purchase decision, the reservation, checking in and checking out, queuing systems and service operation. All these elements that are included in the processes create and position a brand image in the minds of the tourists which will be used during word-of-mouth marketing and decision making in future purchases. Therefore the tourism organisation should strive to deliver processes that are efficient, tourist friendly and competitive. This will lead

to the positioning of a positive brand image. (Burke & Resnick, 2000:93; Bowie & Buttle, 2004:28; George, 2008:34; McCabe, 2009:184). It is difficult and costly for a tourism organisation to reposition once a negative brand image of the organisation has been created.

Burke and Resnick's (2000:93) marketing mix corresponds with the physical environment and processes in the above marketing mix, but adds two more P's:

2.5.4.2.4 Packaging

The packaging variable is used in the marketing of travel or tourism products to bundle various products together to form travel "packages". Most of the tourism products are often provided by different suppliers and packaging offers different mechanisms to tourism organisations to meet the various needs of the tourists by combining complementary products together in a way that satisfies the needs of the tourists directly. For example when tourists visit the KKNK arts festival, they will have a need for transport to Oudtshoorn, accommodation, food (catering), entertainment such as shows, stalls and drama shows and bathroom facilities. These needs can be bundled together in a package which will satisfy the needs of the tourist and stimulate demand (Bruke & Resnick, 2000:93; Morrison, 2010:57).

2.5.4.2.5 Participation

The participants in the sales transaction are everyone who is involved in the transaction: the sellers, the intermediaries, the buyers (tourists) and potential tourists. The close interaction between the tourism organisation and the tourist is important because the participation shapes the tourism product experience. The tourism product experience is dependent on the actions and behaviour of the tourism organisation's staff (seller) and the tourist, during the transaction and consumption of the tourism product. The perception which the tourist has about the sales transaction will determine whether he/she will visit or purchase the tourism product again in the future. Participation is extremely important for the tourism and hospitality marketing mix: for example, when a visitor to the ABSA KKNK arts festival is treated rudely by a ticket sales person for a show, the visitors will not enjoy the festival or the show at the festival. Not only is the service involved here, but the entire experience. A client may get service of a very high standard, but if a product, for instance the food at the festival, is expensive and not up to

standard, it can influence the tourist experience negatively. To ensure repeated purchases and visits, the art festival should ensure quality service and a great experience (Burke & Resnick, 2000:93).

According to Reid and Bojanic (2001:15) the traditional marketing mix does not apply to the hospitality industry, but rather a more appropriate marketing mix that is customised for this kind of industry. The customised marketing mix for the hospitality industry consists of three components, namely product-service mix, presentation mix and communication mix.

2.5.4.2.6 Product-service mix

All the products and services both tangible and intangible which the tourism organisation offers are combined to create the product-service mix. It is important to keep in mind that when the tourist leaves the tourism organisation (the festival) there is nothing tangible to show, because the tourist consumed the product while purchasing. The service is the largest component of the product-service mix.

2.5.4.2.7 Presentation mix

The presentation mix is the elements that are used by the marketer to increase the tangibility of the product-service mix as perceived by the tourist. The mix includes physical location, atmosphere, price and personnel.

2.5.4.2.8 Communication mix

The communication mix comprises all the communication that takes place between the tourism organisation and the tourists. This mix includes the advertising, marketing research and feedback about the consumer perceptions. The communication mix should be seen as a two-way communication link instead of a one-way link, because this link allows the flow of traditional advertising and promotion from the tourism organisation to the tourist. It also allows marketing research and data collection vehicles (Reid & Bojanic, 2001:15).

Thus it can be deduced from the above that the traditional marketing mix is used in an adapted form for the hospitality and tourism marketing mix, in that the product component of the

traditional model is expanded to include aspects of distribution. Furthermore, the production process in services and distribution occurs in the presence of the tourists and therefore people are part of this process. The communication mix and the promotion components of the traditional marketing mix are identical, but in the hospitality and tourism industry the communication mix includes marketing research. The presentation mix in the hospitality and tourism industry includes price, aspects of the place component like location, atmosphere and personal contact between the tourist and the employees this is the aspect which differs most from the traditional marketing mix.

The marketers need to manage the marketing functions, whether it is the traditional marketing mix or the modified hospitality and tourism marketing mix. However it can be suggested to customise and combine the traditional marketing mix with the hospitality and tourism marketing mix to create a suitable marketing strategy and plan for the tourism organisation. After the marketing strategies and the market segment are selected, the positioning strategy for the tourism product or service must be developed.

2.6 MARKETING OUTCOME

In the following section, marketing outcome will be discussed according to the positioning and branding of the tourism product.

2.6.1 POSITIONING THE TOURISM PRODUCT OR SERVICE

Ries and Trout (cited by Fill, 2006:374) observe that “It is not what is done to a product that matters; it is what is done to the mind of the prospect that is important”. Positioning is the place which the product occupies in the minds of the targeted tourists, in other words it is the perception that the tourist have about the product or service. Burke and Resnick (2000:67), Ried and Bojanic (2001:105), Bowie and Buttle (2004:102), Strydom (2004:77), Fill (2006:373), Sayre (2008:185), George (2008:160), Keller (2008:98), Kotler and Keller (2009:309), Morrison (2010:276) and Pride and Ferrell (2010:176) all agree that positioning can be described as a distinctive and unique position of the product in the tourists’ minds which differentiates the product or destination from the competitors. Kotler and Keller (2009:309) point out that it is not

only the product that has a distinctive place in the minds of the target market but also the image of tourism organisation.

Strydom (2004:77) determined the following characteristics, which also serve as a definition of marketing:

- Marketing is an extension of market segmentation and targeting; and
- it involves establishing a set of product attributes and images that offers benefits that are required by a selected target market and which differentiate this product from its competitors.

According to Burke and Resnick (2000:65) the tourism industry offers a huge variety of destinations and tourism products, such as hotels, lodges, airlines, car rental companies, attractions, entertainment and other tourism products to choose from. As a result, there is great competition among product and service providers for tourists. Many elements can influence the tourists' decision where to go and what products to consume, such as recommendations from friends and family of a destination or product, that they have experienced; or seeing an inviting advertisement. Sometimes the tourist is not conscious of the reason for their decisions such as when they buy a holiday package at a travel agency where there are many holiday packages and destinations to choose from. A destination brand in a relaxing and tranquil atmosphere may be chosen, for is no particular reason other than that the tourist feels it is a good decision. Something about the packaging brochure of the holiday destination influenced the tourists to purchase the holiday package instead of another tourism package.

A critical variable in the marketing process is the perception of the tourist; this has a great influence on the decision making process, especially when the tourist has to decide among similar products. Pride and Ferrell (2010:177) agrees with Burke and Resnick (2000:66) that for this reason, marketers should pay attention and try to control or at least influence, the ways in which their products are perceived by potential tourists. Reid and Bojanic (2001:105) agrees that marketers should understand how important certain attributes are to tourists in the purchasing of tourism products and the perception they have about how well the tourism organisation and its competitors are managing these attributes. Market research can be used to

determine what attributes of the product are important to tourists (Wood, 2004:109) and marketers' goal should therefore be to position their product so that the tourists will purchase their product instead of the competitors'.

A position for a tourism product can be established by creating an image for the product. The image is meant to determine and influence how a product is perceived. When tourism marketers devote time and energy to creating an image and if the product positioning is used effectively, that image becomes the central influence on every aspect of the tourism product (Burke & Resnick, 2000:66).

Shimp (2010:131) identifies two interrelated steps concerning positioning. Firstly, a specific desired meaning must be created for the brand and this meaning must be firmly lodged in the tourist's memory ("positioned in the tourist's mind"). Secondly, in the tourists' memories, the brand meaning stands in comparison to what the tourist thinks and knows about the competitive brands in the product category ("positioned against the competition"). Therefore, positioning can be explained as the activity that creates meaning for a brand in tourists' minds in comparison to the feelings and thoughts the tourists might have about the competitive brands (Shimp, 2010:131).

2.6.1.1 The positioning approaches

There are different approaches or bases which can be used to position the tourism products or offerings in the minds of the tourists. Positioning can be based on:

- *Product features and attributes*

Positioning is based on the unique features or attributes of the product, for example Sun City and the Lost City's unique architecture and luxury attributes.

- *Benefits, problem solutions or needs*

For example a hotel that uses the slogan "a good night's rest" which offers to satisfy the need to rest and the benefit it provides to the tourist.

- *User category*

A tourism product focuses on a specific group of tourists, for example a resort that focuses vacations for families or golf estates promoting a golf event to golfers.

- *Features that differ from existing competitors*

For example, destinations that promotes themselves as a year-round destination while other destinations are bound to peak seasons

- *Specific usage occasions*

Tourists use the product when they have a need for a specific service it offers, for example positioning a resort as a venue for weddings (George, 2008:160; Pride & Ferrell, 2010:178; Morrison, 2010:280).

It can be deduced from the above that the tourism organisation will have to decide which approach will position their product the best in the minds of the tourists as well as against the competition position, so that their product has a better chance of being selected during the decision making process.

2.6.1.2 The positioning process

There are various approaches to the positioning process, as will be discussed below. Burke and Resnick's (2000:68) process of establishing a position can be explained with the example of a marketer of a country lodge who wants to create an image for the lodge.

- *First the tourism product needs to be analysed according to product features and tourist benefits.*

The lodge is established on a farm and situated five kilometers outside Pretoria. There are ten rooms, all with queen size beds, furnished with antiques and decorated with art of local artists. In the basic room rate, a South African country breakfast is included which is served in the restaurant every morning. Tourists can relax, enjoy special services, dining convenience, and break away from their busy routine.

- *Secondly, the marketer has to identify the current position and image.*

The marketer should identify the strengths and weaknesses of the product's appeal as well as the characteristics of the product, through research. What appeals to one person or group will not necessarily appeal to another, and when research is done the target market has to be carefully chosen: professional couples or business men and women living in Pretoria, Johannesburg area that earn a middle to high income, who have no children and who are interested in antiques, art and relaxation. The image then needs to be created: The image the manager wants to establish for the lodge is one of an upscale, intimate and relaxing weekend destination where the busy city life can be left behind. This image can be reinforced by placing fresh flowers in the rooms, using fine cutlery and crockery when serving breakfast, and educating the staff about the lodge's art and antiques. Everything about the lodge, even the brand name of the lodge that is advertised in newspapers, magazines and on the internet should contribute to the image the manager wants to convey. Therefore it is important that the product or service should be positioned in relation to the needs of the target market.

- *Finally, the current position has to be compared to the organisation's marketing objectives.*

The marketing objectives are statements about what an organisation expects to achieve with its marketing programmes. To achieve these objectives all aspects of the marketing programme has to be coordinated and operating in concert. Therefore the product's position should be completely compatible with the marketing objectives and vice versa. This means that the product's position is required to accomplish the marketing objectives (Burke & Resnick's, 2000:68).

Fill (2006:377) explains that marketers can be guided by the following process to develop and manage a position:

- Determine which positions are held by which competitors. Customer research can help to determine the attitudes, perceptions and possibly the key attributes that tourists perceive as

important. Perceptual mapping can be used. It will be possible to determine which position is already held by the focus brand.

- A positioning strategy can be determined and developed, from the information gathered so far, to achieve the desired position for the brand (product). The strategy should be feasible in view of the competitors and budgetary constraints. A long-term perspective is required, as the selected position has to be sustained.
- Implement a programme to establish the desired position.
- Monitor the perception held by the tourists of the brand (product), and of the changing tastes and requirements, on a regular basis.

Reid and Bojanic (2001:106) offer the following description of the positioning process:

- *Determine the ideal mix for consumers.*

It is important to determine what tourists are looking for when purchasing a product or service. When the organisation has determined the ideal mix of attributes, it can begin to examine the ability of the product mix to meet the needs of the tourists. There are salient attributes that are important to the tourists when evaluating the alternative product offerings. These attributes can be the price of the products and the service quality, which are commonly used to differentiate between brands. These are important attributes and can be determined by doing customer research.

- *Measure consumer perceptions of available services.*

During this step the current offerings of the organisation is examined and it is measured against the competitors' abilities to meet the consumer's needs. The tourists' perception of the product is crucially important: even if the organisation believes it offers good value to the tourists, all that matters is whether the tourists believe it to be the case. Research can determine what the

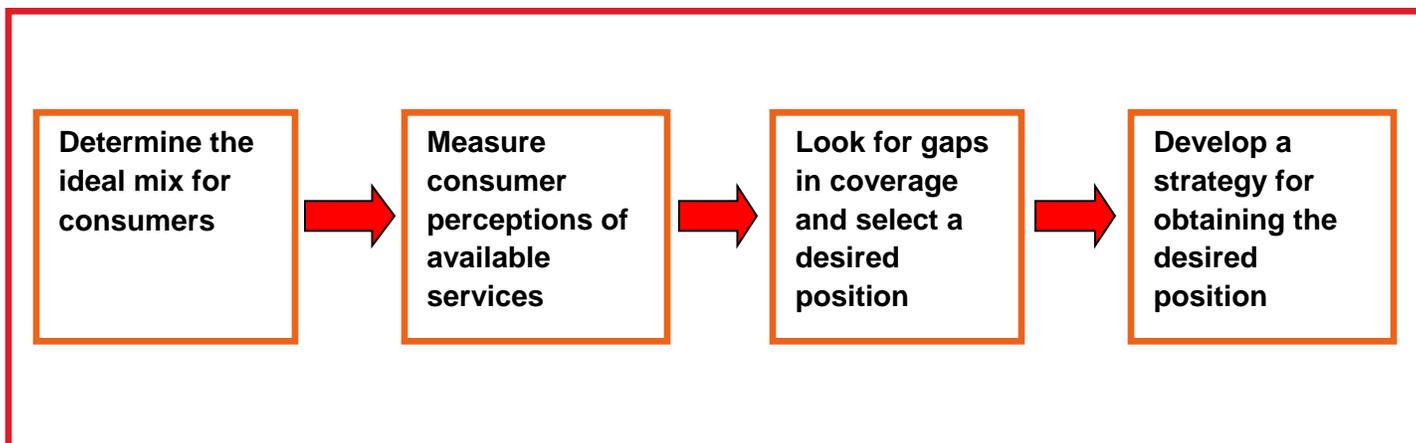


Figure 2.7: The positioning process

Source: Adapted from Reid & Bojanic (2001:106)

tourists' perceptions are about the product by means of a survey. A perceptual map can be used to visualise the information in the competitive benefit matrix. The perceptual map is a technique used to construct a graphic representation of how tourists in the market perceive a competing set of products. This map is constructed by using perceived price and quality as two dimensions. The purpose of perceptual mapping is (1) to learn how consumers perceive the strengths, weaknesses and similarities of the alternative product mixes being offered; (2) to learn about tourists' desires and how to satisfy these desires by the current product; (3) to integrate these findings strategically to determine the greatest opportunities for new product mixes and how the product image should be developed to gain more sales.

- *Look for gaps in coverage and select a desired position*

The third step in this process is to examine the map for any gaps, once the tourists' perceptions have been obtained, measured and plotted on a perceptual map. This means identifying any areas on the map that are not adequately served by the brands in the market. These areas may be tourists who want more than a place to sleep – they may for instance also want lobbies that are not crowded, and to do their own cooking and laundry. Therefore organisations should be enabled to develop a positioning statement from the perceptual mapping. This statement is used to differentiate the organisation's product-service mix from the competition. The

organisation should use a unique element of the product mix and promote it in order to gain a competitive advantage. This approach is known as the unique selling proposition and it requires that every effort should be made to link the benefits with tangible aspects of the product-service mix. In this way the hospitality operation could be associated with something tangible by the tourists.

- *Develop a strategy for obtaining the desired position.*

Once the desired position has been obtained as a result of the analyses performed in the first three steps, the final step in the positioning process is to develop strategies. The marketers should use components from the marketing mix to develop marketing programmes that can be used to achieve the organisation's objectives and gain the desired position. The most affordable and easiest changes in the marketing mix involve the price and promotion. Promotion and advertising or repositioning can be used to change the tourist's perceptions of the product. Ries and Trout (in Reid & Bojanic, 2001:111) formulated six questions which can be used to guide thinking in this respect:

1. What position is owned by the organisation?
2. What position does the organisation want?
3. Who must the organisation outgun?
4. Does the organisation have enough money?
5. Can the organisation stick it out?
6. Does the organistaion match their position?

Wood (2004:109) explains that marketing research is needed to understand how the targeted tourists perceive the organisation, product or brand and how they perceive the competitors. This research will also determine which attributes matter most to the targeted tourists. There are two steps in this process: firstly, deciding on differentiation and secondly, applying positioning according to three criteria:

- *Deciding on differentiation*

It is important to decide on a point of difference that is competitively distinctive as well as relevant and believable.

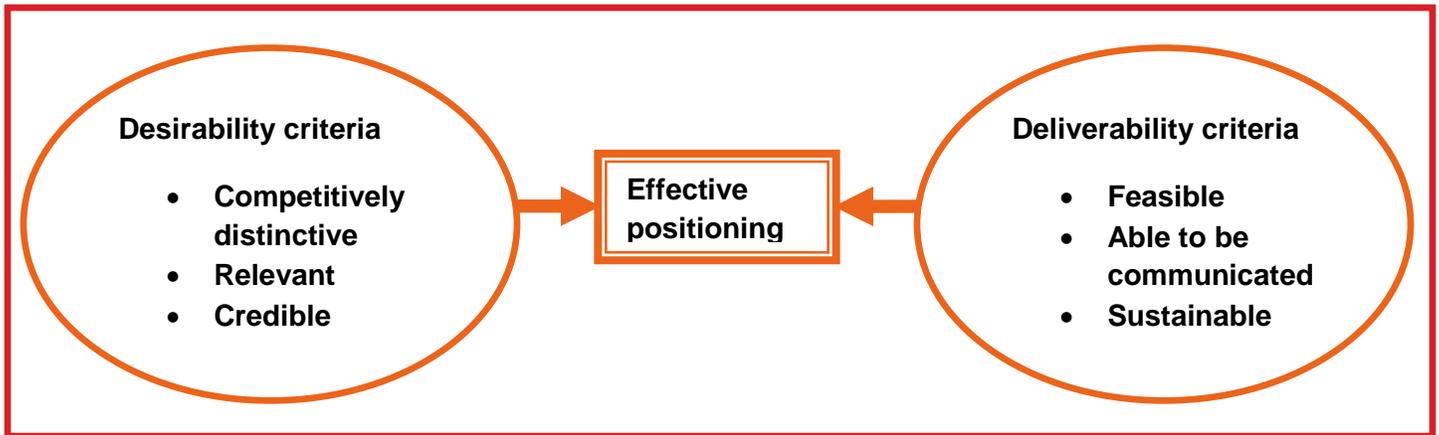


Figure 2.8: *Effective positioning*

Source: Adapted from Keller in Wood (2004:110)

In Figure 2.8 the product's positioning should be based on all three criteria. These are criteria that are meaningful and desirable from the tourists' perspective, yet competitively distinctive.

- *Applying positioning*

Positioning should be carried through the product's marketing and performance in addition to satisfying the three desirability criteria. Firstly, it must be determined whether the tourism organisation can develop and market a product that will live up to meaningful points of difference. Secondly, it must be considered whether there should be communication with the targeted segments about the points of difference. Thirdly, it must be determined whether the product's performance can be sustained and whether it can continue to communicate a meaningful point of difference over time.

Positioning requires similarities and differences between brands, as this will help tourism marketers to show tourists the benefits of the product and how their needs can be met. Kotler and Keller (2009:309) explain that after the competitive frame of reference for positioning has

been fixed by defining the target market and the nature of the competition, the appropriate points-of-difference and points-of-parity associations can be defined. Points-of-difference are attributes or benefits which tourists strongly associate with a brand, which they positively evaluate and about which they believe that no competitive brand can be found to the same extent. These associations are challenging but essential for competitive brand positioning. Points-of-parity are associations that are not necessarily unique to the brand but may in fact be shared with other brands.

There are two basic forms for these associations, namely category points-of-parity (which are associations that the tourist feels are to a legitimate and credible offering within a product category – representing necessity and not sufficiency) and competitive points-of-parity (which are associations designed to negate competitors' differences so that tourists can choose a brand which has a competitive advantage to them). Kotler and Keller (2009:311) argue that the key to positioning is often not so much achieving a point-of-difference, but achieving points-of-parity.

The main goal of positioning is to maximise the potential benefit of the organisation by locating the brand in the minds of the tourists. The marketing strategy can be guided by good brand positioning that clarifies the brand's essence and help achieve goals in a unique way. Everyone in the organisation should understand the brand position and use it as a context when making decisions. It should be remembered that tourists' needs, tastes and trends constantly changing and therefore the organisation should be prepared to reposition a product if necessary for desirability and deliverability. Therefore it can be deducted from the above that positioning is not a once-off process but a continuous process.

Figure 2.9 illustrates the integrated positioning process that is discussed above. Tourism organisations can use this integrated process to position their products in the tourists' minds.

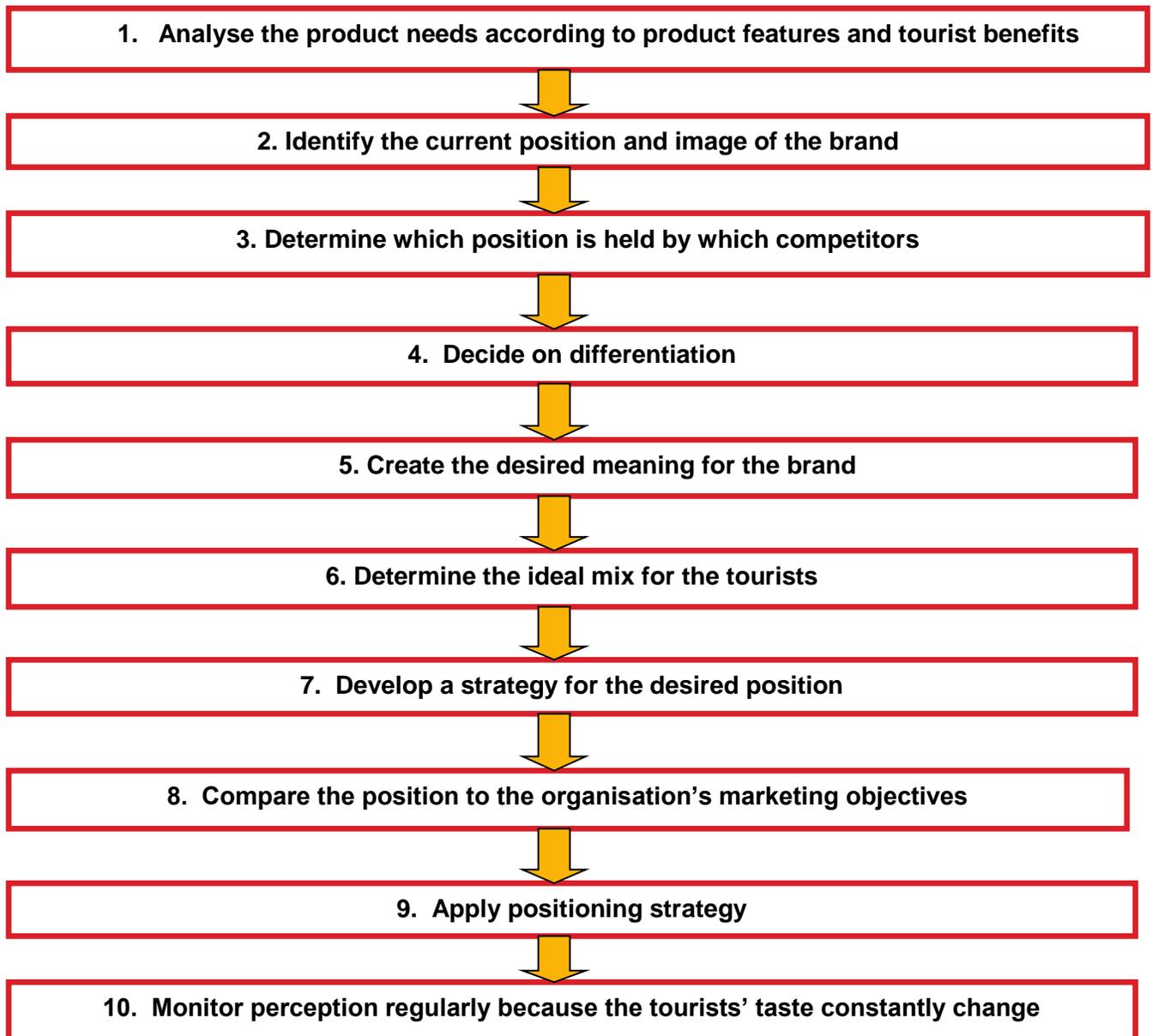


Figure 2.9: The positioning process

Source: Reid & Bojanic (2001:106), Wood (2004:110), Slabbert & Saayman (2008:414)

2.6.1.3 The importance of brand in the positioning process

Shimp (2010:128) explains that positioning is concerned with meaning, and thus with semiotics. Semiotics is the study of signs and analysis of meaning; and signs include words, visualisations, tactile objects and anything else that has the potential to communicate meaning to a receiver who that interprets that meaning. Brand is defined as a sign, term, symbol, or design, or a combination of these to identify and differentiate a product or service from other products. Therefore brand is a sign of a tourism product which can communicate meaning to the potential tourists. It should be kept in mind that signs or brands can have different meanings to different people. Signs or brands are the external stimuli that are used to evoke an intended meaning in another person. Signs or brands do not have meaning; people have meaning for signs or brands. Meaning is the internal responses people hold for the external stimuli which means customers can have different meanings for different brands. This challenges the marketer when a brand is being positioned, to ensure that the customer interprets the constructing meaning of the brand as intended during marketing.

Shimp's (2010:128) explanation of positioning emphasises the importance of brand in positioning. Positioning cannot start without a sign (Brand) for the product, because the brand is the stimulus for meaning and response. This means that branding is integrated in the positioning process from the first step, right through. Branding is dependent on positioning, to create a meaning for tourists and to establish a competitive place in the minds (memories) of tourists.

It can be deduced from the above that brands play a crucial role in positioning and that positioning cannot start without branding. Brands can communicate a meaning or image of the tourism product to the tourist as intended by the marketer during marketing. Therefore branding and positioning are dependent on each other and plays an important role in the decision making process.

2.6.2 BRANDING

A brand helps tourists to identify and differentiate a product or service from other product providers, by means of a name, sign, term, symbol, or design, or a combination of these (The

American Marketing Association in Kotler & Keller, 2009:276). Branding is part of the marketing strategy that assists in competitive advantage. It also provides image, meaning, response and relationship to tourists, which can simplify tourists' decision making process when they have to decide on a festival to visit. This means that when the arts festival's brand is well positioned in the visitor's mind, it will have a better chance of being selected than the competing festivals. When the tourist learns to trust a brand and have brand knowledge, it can result in brand loyalty which ensures repeated visits or repurchasing of products (Lin, Wu & Wang, 2000:278, Wood, 2004:158, Fill, 2005:293; Keller 2008:6). Therefore brands provide information about the product and its content, taste, durability, quality, price and performance, without requiring the tourists to under-take a time-consuming comparison test with similar offerings (Fill, 2005:293). It is agreed that brand is beneficial for the tourism organisation because it is cost-effective; and it is beneficial to the tourist because it simplifies the process of deciding on a product.

Fill (2005:393) explains that strong, positive and lasting impressions can be created by successful brands, which are to be of value to tourists. Brands can have the following characteristics:

- Visual approach: A brand can be a name, symbol, packaging or service reputation.
- Differentiation approach: The brand may be a symbol, name, term, sign, or design or a combination of these, intended to identify and differentiate products of one tourism organisation from those of a competing tourism organisation.
- Brands as a result of the marketers' work. The product has values and associations which are meaningful and recognised by the tourists. Both marketers and tourists are involved in branding because a particular brand can be associated with attributes such as feelings and emotions which differentiate the brand and product from similar brands, and products.
- Brand can be used to identify quality and satisfaction, which can create trust in the brand among tourists. The result will be repeated purchasing or visiting of the tourism product or brand.
- Brands can act a risk reducer for the tourist during the decision-making process, and can save time (Fill, 2005:393).

Branding is a task in marketing communication that is part of the marketing strategy and that has become key to success in the competitive tourism industry. The competition in tourism is not over price, but about winning the favour and sentiments of tourists.

2.7 CONCLUSION

In the tourism industry, marketing and branding are necessities. The purpose of this chapter was to review tourism marketing regarding the role of branding in the tourism industry. Tourism marketing was defined as a social and organisational process which focuses on identifying tourists' needs and wants and on satisfying these needs by creating, informing, offering, persuading and freely exchanging products, services or experience of value with others. Marketing ensures returned visits, a competitive advantage and long-term relationships with tourists. To gain a better understanding of marketing, the development of marketing over the years was discussed. Marketing evolved from a primary focus on production and services to a focus on the selling of products by means of informing and persuading customers (tourists in the case of the tourism industry). Later, marketing began to focus on the customers, their needs and wants and how to satisfy them. It is agreed that customer became the focus of the organisation and it was realised that marketing involves much more than producing, selling and satisfying customers' needs. Marketing and branding are involved with building long-term relationships with customers and gaining their loyalty; a situation which has benefits for both the organisation and the customer.

The three core elements of the tourism product were identified: the physical product, certain service components and the creation of an experience. This makes the marketing of a tourism product more complex than other products. A marketing strategy with an effective marketing mix, positioning strategy and branding process therefore has to be developed, and for this it is necessary to know the tourist and his/her needs to better satisfy them and gain the tourist's trust. Market segmentation can be used to determine who the target market is and what their needs are. The marketing mix ensures that the right message, image and meaning reach the right market at the right time by means of the right communication mediums and people. This

will make the positioning of the product, service or experience in the minds of the tourists easier. Positioning involves two concepts: firstly, creating a desired meaning for the brand which is firmly positioned in tourists minds and secondly, the comparison which tourists make about the brand meaning in their memory and their knowledge and thoughts about the competing brands. Thus, the brand is positioned in the mind of the tourists and against the competitor's brand.

It is realised that branding is a critical strategy in the successful marketing of a tourism product. Branding involves the symbol, image, term or design for a product that differentiates it from other products and that acts as a stimulus for meaning and response. Branding is beneficial for organisations in terms of cost-effectiveness and for tourists in terms of a simplified decision-making process and an assurance of quality and satisfaction. This will result in repeated purchases and brand loyal tourists, an aspect which will be discussed further and in more depth in the following chapter.

The next objective of this study is to review the literature regarding brand loyalty to identify and analyse brand loyalty constants. The discussion will include brand importance, the benefits of brands, to introduce the sub-six dimensions of brand loyalty and to define loyalty.

BRAND LOYALTY TO ARTS FESTIVALS: CASE OF KKNK

CHAPTER



A REVIEW REGARDING BRAND LOYALTY TO IDENTIFY AND ANALYSE BRAND LOYALTY CONSTANTS

3.1 INTRODUCTION

Today, tourists have a bigger choice of products and services but less decision making time than ever before. Therefore branding is important in the tourism industry, because strong brands increase trust in intangible products, and enable tourists to better visualise and understand these products. Consequently, a brand simplifies decisions, reduces tourists' perceived monetary, social or safety risks in purchasing services, and creates and delivers expectations (George, 2004:346; Pike, 2004:69; Kim, Kim, Kim, Kim & Kang, 2008:75). Destination marketers will have to determine what persuades the potential tourist to visit or revisit one destination instead of another. The competition in tourism today is not about price, but about winning the favour and sentiments of tourists. This emphasises the importance of branding and brand loyalty (Morgan, Pritchard & Pride, 2002:12; George, 2004:346).

A crucial aspect of a successful long-term destination management is measuring the effectiveness of the brand. The effectiveness of destination brands can be measured from a customer perspective, in an approach known as customer-based brand equity (Pike, 2004:69; Pike, 2007:52; Kim, Kim, Kim, Kim & Kang, 2008:75; Boo, Busser & Baloglu, 2009:220; Pike, 2010:125). Customer-based brand equity develops an understanding of how marketing initiatives are impacting on how the tourist learns and recalls brand information (Pike, 2010:125). Destination marketing organisations should achieve high levels of customer-based

brand equity because it makes the tourists and potential tourists aware of the product and its attributes; it creates an image of the product that customers can easily recall because of positive past experiences; and it ultimately helps to achieve brand loyalty (Boo, Busser & Baloglu, 2009:220).

Brand loyalty should be the main marketing goal of tourism products. An important component of brand equity is brand loyalty because it reduces a brand’s vulnerability to competitors’ actions. A high level of brand loyalty will create a committed relationship and community to the brand (Kim, Kim, Kim, Kim & Kang, 2008:76; Pride & Ferrel, 2010:331). This will result in a competitive advantage, a committed relationship with the tourist and a sustainable tourism product.

The purpose of this chapter is to review the literature regarding brand loyalty to identify and analyse brand loyalty constants. This review of brand loyalty includes a description of the importance and the role of branding; an analysis of brand equity; a definition of loyalty; and a description of the different levels of brand loyalty.

3.2 THE ROLE AND IMPORTANCE OF BRANDING

Branding was first used centuries ago to distinguish the goods of one producer from those of another. Kotler and Keller (2009:276) explain that branding was used as a trademark by artists and craftsmen to protect themselves and their customers against inferior quality. For example, artists signed their art work. In the modern world, branding plays different roles and has different functions for the organisations and customers (tourists); it adds value to both parties, which makes branding important.

Table 3.1: Role and functions of brands

Role & Functions for tourists	Role & Functions for the tourism organisation	Authors of the study
Branding is a source of identification and creates meaning for the products.	It simplifies the identification of handling or tracing of products	Morgan & Pritchard (2001:221), McDonald (2003:12),

It reduces risks and costs by product decision-making.	Provides legal protection for the product's features	Wood (2004:158), Holloway (2004:136), Bowie & Buttle (2004:109), Fill (2006:394), de Chernatony (2006:221) Kim, Kim, Kim, Kim & Kang (2006:75), Pike (2007:53), Li, Petrick & Zhou (2008:80), Keller (2008:6), Sweeney & Swait (2008:180), Pike (2008:175), George (2008:227), Kotler & Keller (2009:277), Opperman (2009:78), Pride & Ferrell (2010:328) & Shimp (2010:34).
It signals product quality.	It increases customer satisfaction.	
Simplifies product decision.	It is a source of sustainable competitive advantages.	
Provides product relationship.	It is a source of financial returns by repurchasing of products.	
	It provides cost effective marketing.	
	Customer relationships and loyalty.	

In Table 3.1, the most important role and functions of brands are the provision of legal protection for the product's features; the reduction of risks and costs during product decision-making; and a simplification of the product decision. However, all the roles and functions of brands that are listed in the table (Table 3.1) will be discussed below.

3.2.1 Branding is a source of identification and creates meaning for the product

According to Kotler and Keller (2009:277) brands help to identify a product or supplier and allow the customer to assign responsibility for the performance to a specific manufacturer or distributor. Past experiences with the products help tourists to evaluate similar products

differently. Brands should differentiate products from each other, in such a way that it is not necessary to compare the products to determine the differences (Grewal & Levy, 2008:274). When the tourists identify the brand and associates it with a good past experience, it can simplify the decision making process.

3.2.2 Branding reduces risks and costs by product decision-making

It is agreed that brands act as a risk reducer when product decisions are being made (Kim, Kim, Kim, Kim & Kang, 2006:75; de Chernatony, 2006:35; Pike, 2008:201; Kotler & Keller, 2009:277; Keller, 2008:8). De Chernatony (2006:35) explains that tourists will rather choose a brand based on the perceived risk than choose a brand that maximises their utility. A good example is the disapproval of friends based on a specific style or clothes which do not match their own style or which do not fall in the same category of brands as theirs. There are many different types of risks involved when a tourist buys and consumes a product. De Chernatony (2006:36), Pike (2008:201) and Keller (2008:8) point out the following risks:

- *Performance/Functional Risk*

Will the product's performance exceed all expectations the tourist has? In other words, will the product satisfy the tourist's needs? In the tourism industry these risks can include poor weather, substandard service encounters, grumpy travellers, labour strikes, crime and theft, traffic delays, terrorism, fluctuating exchange rates, natural disasters, uncomfortable accommodation and food poisoning (De Chernatony, 2006:36; Pike, 2008:201; Keller, 2008:8).

- *Social risk*

Social risk involves the associations between the peer group (tour group) and the individual tourist as a result of the brand choice. These associations will either enhance or weaken the group's views about the tourist; and it will either enhance or weaken the tourist's well-being or self-concept (De Chernatony, 2006:36; Pike, 2008:201; Keller, 2008:8).

- *Financial risk*

The financial investment represents value, in other words, whether the product is worth the price that is being paid for it (De Chernatony, 2006:36, Pike, 2008:201 & Keller, 2008:8).

- *Physical risk*

The product – for example, transport and transit environments en route – may cause harm to the tourist or pose a threat to the physical well-being or health of the tourist (De Chernatony, 2006:36; Pike, 2008:201; Keller, 2008:8).

- *Psychological risk*

The product may affect the mental well-being of a tourist who does not feel comfortable with the brand in so far as it matches the tourist's self-image (De Chernatony, 2006:36; Pike, 2008:201; Keller, 2008:8).

- *Time risk*

Time is what the tourist spends on deciding on a brand. Time can be wasted if the brand proves to be inappropriate or does not satisfy the tourist's needs.

These risks can be managed in a number of ways, but most obvious way is for the tourist to buy well-known brands, especially those with which the tourist has had favourable past experiences. Therefore it is agreed that brands are important as risk-managing devices which can simplify the product decision making process (De Chernatony, 2006:36; Pike, 2008:201; Keller, 2008:8).

3.2.3 Branding signals product quality

A certain level of quality can be signalled by brands, so that satisfied buyers can easily choose the product again. According to Keller (2008:8) brands signals certain product characteristics and attributes to tourists. This significant role of a brand can be divided into the three categories of search, experience and credence goods. Search goods refer to the evaluation by

the tourist of the product attributes such as sturdiness, colour, size, weight, design, style and ingredients by visual inspection. Experience goods are goods which cannot easily be inspected – this means the product trial and experience are necessary to judge durability, service quality, safety and the ease with which the product is handled or used. Finally, credence goods are insurance coverage. Because the attributes, benefits and quality of the product can be difficult to interpret, brands are important signals of product quality and characteristics. As such, they simplify the purchase decision for tourist (Keller, 2008:8).

3.2.4 Branding is a shorthand device

Over years of past experiences and marketing programmes, marketers became more aware of tourists' needs and which products satisfy their needs best. As a result, brands provide a shorthand device; in other words, they help to simplify the tourist's decision about which product to purchase (Bowie & Buttle, 2004:108; de Chernatony & McDonald, 2003:45; Keller, 2008:6).

3.2.5 Branding simplifies product decision

As explained above, a brand can create meaning for a product and help to identify a product among its competitors. It can act as a risk and cost reducer during the tourist's decision making process. Brands can be used to signal product quality, which influences the tourist's decisions and reminds the tourist of which product satisfied their needs best in the past. All the above mentioned factors help to simplify the tourist's product decision making process (Bowie & Buttle, 2004:108; de Chernatony & McDonald, 2003:45; Keller, 2008:6; Pike, 2008:201).

3.2.6 Branding provides product relationship

De Chernatony (2006:49) argues that brand relationship can be interpreted as a logical extension of the idea of a brand personality: a customer can have a relationship with a brand if the brand can be personified. Brand relationship between the organisation and customer can have meaning and purpose for both parties. De Chernatony (2006:49) explains that certain brands are chosen by customers because they seek to understand themselves and to

communicate to others the aspects of themselves. A relationship can be defined as the exchange of benefits between at least two parties, while Fill (2006:397) adds that a brand relationship defines the way the brand behaves and acts towards others. Managers are able to involve their staff more in the branding process because of brand relationships. A well-defined brand personality will also encourage interaction between customers and the brand, which will result in a relationship between customers and the brand, similar to a relationship between people (de Chernatony & McDonald, 2003:141). Brand success is more likely when the customers' wants and needs from the relationship are understood. Stronger relationships can be built when organisations understand how the customer perceives the brand and reacts to it, and how the brand behaves and reacts towards the consumers. Customer research is necessary to acquire this understanding.

3.2.7 Branding simplifies the identification, handling and tracing of products

Keller (2009:9) defines different functions of brands to organisations. Among other, a brand serves an identification purpose, which simplifies product handling and tracing of products. Operationally, brands help to organise inventory and accounting records. It is seen that brands endow a product with unique associations and meanings that differentiate it from other products (Keller, 2008:9; Kotler & Keller, 2008:277).

For example, when an organisation offers more than one product, a brand can identify the product; it can identify the handling the product requires when it is delivered; and it makes it easier to trace the product.

3.2.8 Branding provides legal protection for the product's features

De Chernatony and McDonald (2003:41), Bowie and Buttle (2004:108), de Chernatony (2006:29), Fill (2006:398), Grewal and Levy (2008:275) Keller (2008:9) and Kotler and Keller (2009:277) agree that brands give intellectual property rights and legal title to the brand owner. Therefore brands provide legal protection for the unique features of the product, the design,

logo and brand name against competing organisations that would like to copy the organisation's products.

3.2.9 Branding increases tourist satisfaction

Tourist satisfaction can be increased by adding value to the subjective experience (Bowie & Buttle, 2004:108). Value are extra benefits added to the original product, such as the level of quality which tourists can experience, which will lead to increased satisfaction (Kotler & Keller, 2009:277). This means that satisfied customers will be likely to continue to purchase the product (Keller, 2008:8). De Chernatony (2006:44) explains that added value enables tourists to make a purchase on the basis of superiority over competing brands. To identify added-value opportunities means that customers must be accompanied both in their purchase decision and their use of the product. This describes the stages the customers go through when choosing and using a brand and can be used by the organisation to identify where value can be added to increase customer satisfaction. De Charnatony (2006:115) discusses a number of reasons why values are important in brands. Firstly, values drive behaviour and form an internal perspective and a particular cluster of values results in specific behaviours. Secondly, values relate to particular personality traits, and customers choose brands with values that reflect the actual or desired personality of the user. By identifying the core values for the brand, the organisation can obtain clarity about the uniqueness of their product.

3.2.10 Branding is a source of sustainable competitive advantage

Grewal and Levy (2008:275) explain that strong brands can be protected against competition and price competition to some extent. These brands are more established in the market and have a more loyal customer base. Competitive pressures on price or retail-level competition is not threatening to these organisations. A premium price can be commanded by the brand when the brand is perceived as a high level of quality or garners a certain status among customers.

3.2.11 Branding is a source of financial return through repurchasing of products

When the tourists have gained brand knowledge through previous experiences with the products and the brand over the years, they realise which brands provide quality and satisfy

their needs (Keller, 2008:6). As a result, tourists learn to trust a brand. This simplifies the decision-making process by reducing time and associated perceived risks during purchasing of products or services. When tourists trust a brand, they will repeatedly purchase or visit that brand (Lin, Wu & Wang, 2000:278; Fill, 2005:293; Keller, 2008:6). This results in financial returns for the organisation.

3.2.12 Branding provides cost-effective marketing

When tourists have brand knowledge and trust the brand they will repurchase the product and this can result in brand relationships. Organisations with well-known brands do not have to spend as much on marketing costs as organisations that have little-known brands, because the popularity of the brand sells itself (Grewal & Levy, 2008:275). Organisations with little-known brands need to do intensive marketing to make the customers aware of their product.

3.2.13 Branding results in customer relationships and loyalty

Wood (2004:161) argues that a relationship between tourists and a brand can exist when tourists are aware of the brand, know what it means to them and how they feel about the brand and had a positive and satisfying experience with the brand. This relationship will lead to continuous future purchases of the brand. Strong and enduring brand relationships should therefore be encouraged. The result of such relationships is loyal customers who tend to buy more, who are willing to pay more for the product, who will recommend it to others and who will resist switching to competing brands and products. Fill (2005:397) defines a brand relationship as the way the brand behaves towards others. It is argued that people can interact with brands and develop a two-way relationship when it is recognised that the brand must interact with the consumer just as much as the consumer must interact with the brand. Keller (2008:9) explains that predictability and security of the demand for the organisation can be provided by brand loyalty and that brand loyalty can create barriers that make it difficult for other organisations to enter the market. There are different approaches to building brand relationships: one is that product quality and performance should be improved and maintained to avoid disappointing customers, tarnishing the brand and discouraging customer loyalty. Secondly, one can add products, experiences, features or attributes to the brand that will better satisfy the customers'

needs. Therefore it's important for festivals to innovate or upgrade the product designs such as shows, arts and products at stalls, labelling of the shows or stage productions and packaging of different types of shows together (for example packaging tickets for a comedy and drama show together with whisky and chocolate tasting). This should constantly be introduced and should be consistent with the image of the brand for example, the ostrich feathers used in art products and the kudu food stalls are all consistent with the image of the Klein-Karoo Nasionale Kunstefees (KKNK National Arts Festival) as well as the Afrikaans stage productions at the festival. Finally, the market plan should allow market research to determine how effective the product strategy is in moving the customers up the brand equity pyramid toward sustained customer loyalty (Wood, 2004:161).

It can be deduced from the above explanation that brands have different roles and functions for the organisations and tourists which add value to both parties. This makes branding one of the most important marketing strategies that can influence the success of the organisation. Branding does not only simplify the decision-making process for the tourists but helps to build relationships and gain loyal tourists that will repeatedly purchase or visit the product. One of KKNK's goals should be to achieve repeated visits from tourists to remain a sustainable festival, year after year. This can be achieved by means of building brand relationships and loyalty with the visitors to KKNK arts festival.

The first step in achieving this goal is to create a Brand Name.

3.3 Creating a Brand Name

A brand is the name that influences the buyer (Kapferer, 2008:11). Shimp (2010:71) agrees that the brand acts as a cerebral switch which activates images in the buyer's collective minds. For this reason most authors agree that the brand name is one of the most important tasks for the marketing manager (Batey, 2008:148; Weitz & Wensley, 2006:157; Shimp, 2010:71). This task is also the first step in building brand equity (Kollmann & Suckow, 2007:350).

The naming process comprises of five steps.

- *Step one: Get organised and specify objectives for the Brand Name*

Determine and identify the brand’s goals and objectives as well as the target market’s needs. One of the goals is to position the brand name successfully in the target market’s minds and provide an appropriate image for the brand that distinguishes it from the competitors’ brands (Wheeler, 2006:104; Shimp, 2010:77). To achieve the brand goals, the following should be identified and determined: a timeline, a team and brainstorming techniques (Wheeler, 2006:104).

- *Step two: Create candidate Brand Names*

Brain storming and creative-thinking can be used to create numerous potential brand names. Organise the candidate name in themes and categories (Wheeler, 2006:104; Shimp, 2010:78).

- *Step three: Evaluate the candidate Names*

The brand elements are the devices or trademarks that differentiate and identify the brand. There are a number of broad criteria that are important to consider when designing and building a brand name (Weitz & Wensley, 2006:157). Table 3.2 identifies the criteria that can be used when evaluating the candidate names.

Table 3.2: The criteria for evaluating a brand name

Criteria	Description	Authors
Memorable	The brand name should be memorable; therefore it should be easily recalled and recognised by means of easy spelling and pronunciation. The language of	Temporal (2002:98); Lowrey, Shrum & Dubitsky (2003:8); Wheeler (2006:49); Weitz & Wensley (2006:157);

	<p>the name should be transferable to the consumer and other countries. For example short names such as Portia Hotels.</p>	<p>Kollmann & Suckow (2007:353); Batey (2008:148); Kotler & Keller (2009:286); Holehonnur, Raymond, Hopkins & Fine (2009:170); O'Guinn, Allen & Semenik (2009:341); Pride & Ferrell (2010:334) Shimp (2010:76).</p>
<p>Meaningful</p>	<p>The brand name should communicate the essence, attributes or benefits of the product that is meaningful to the consumer. It includes frequency in the language, the ability to create an imagery and semantic associability.</p>	<p>Temporal (2002:98); Lowrey, Shrum & Dubitsky (2003:8); Weitz & Wensley (2006:157); Wheeler (2006:49); Batey (2008:148); Kotler & Keller (2009:286); O'Guinn, Allen & Semenik (2009:341); Pride & Ferrell (2010:334); Shimp (2010:72).</p>
<p>Likable / aesthetic appeal</p>	<p>The brand name should be likable, visually, verbally or in other ways by the consumers. If the brand is likable it is more memorable and appeals to the target audience. Liking a brand leads to preference. O'Guinn, Allen & Semenik (2009:351) focuses more on the consumer's feeling to achieve a likable brand.</p>	<p>Weitz & Wensley (2006:157); O'Guinn, Allen & Semenik (2009:351); Kotler & Keller (2009:286); Shimp (2010:76).</p>

Transferable	The brand should be transferable regarding new product categories and the ever changing market. As well as across geographical and cultural boundaries and market segments.	Weitz & Wensley (2006:157); Wheeler (2006:49); Kotler & Keller (2009:286); Shimp (2010:770).
Adaptable and flexible	The brand should be flexible and adapt over time	Weitz & Wensley (2006:157); Wheeler (2006:49); Kotler & Keller (2009:286).
Protectable	The brand element should be owned, legally protected and trademarked.	Weitz & Wensley (2006:157); Wheeler (2006:49); Kotler & Keller (2009:286); Shimp (2010:73).
Distinctiveness	The brand should be unique and stand out from similar products to achieve the competitive advantage.	Temporal (2002:98); Lowrey, Shrum & Dubitsky (2003:8); Wheeler (2006:49); Kollmann & Suckow (2007:353), Pride & Ferrell (2010:334); Shimp (2010:72).

In Table 3.2, the most important criteria to keep in mind when designing a brand name is that it should be memorable, meaningful and distinctive.

When the candidate names are measured against the criteria, the name with the highest score should be selected as the brand name.

- *Step four: Select a Brand Name*

The criteria in step three can be used to select an appropriate brand name, but the other name candidates can still be considered if the selected brand name is unsuccessful in the testing process. Many brand names are the product of subjective judgment rather than the product of rigorous marketing research (Shimp, 2010:78).

In Wheeler's (2006:104) naming process, an initial screening and contextual testing is conducted to test the brand name before rejecting it. Initial screening consists of positioning, linguistic, legal, common-law databases, online search engines, online phone directories, domain registration and creating a short list. Contextual testing consists of saying the name, leaving a voice mail, e-mailing the name, putting it on a business card, putting it in an ad headline, putting it into the voice of the stakeholders. During this testing, determine methods to trust, be on the lookout for red flags, check language and cultural connotations and do linguistic analysis.

When the brand name is selected, the company should apply for trademark registration.

- *Step 5: Register a Trademark*

It is important to register a trademark to protect the brand. When applying for trademark registration, keep in mind to submit multiple names instead of just a single name because many names are rejected (Wheeler, 2006:105; Shimp, 2010:79).

It can be suggested that the above process and criteria can be used to create successful brand names. It should be kept in mind that the brand name should be memorable, meaningful and distinctive, so that the brand name is firmly lodged and positioned in the tourist's mind and can easily be recalled during the tourist's decision making process on which brand or destination to visit. It also advised to have two or more good brand candidates, in case the initial brand name is rejected. This is the first step in building brand equity.

3.4 Brand equity

Brand equity is the value that is added to the product or service that is associated by the customer in addition to the brand name (Kollmann & Suckow, 2007:350). Therefore it is one of the most important and popular marketing concepts, because it accents the importance of the brand in the marketing strategy and provides focus for managerial interest and research activities (Keller, 2008:37). However, no common viewpoint has emerged about how to conceptualise and measure brand equity; therefore brand equity is a multi-dimensional concept (de Chernatony & McDonald, 2003:436; Keller, 2008:37; Boo, Busser & Baloglu, 2009:220).

De Chernatony and McDonald (2003:437) describe brand equity as a set of associations and behaviours on the part of a brand's customers, channel members and parent corporation that enables a brand to earn greater volume or greater margins than it could without the brand name and, in addition, provides a strong, sustainable and differential advantage. Brand equity measures marketing productivity and gains better understanding of the market's consumption decisions, and determines how information is used. Therefore brand equity helps to achieve marketing goals (Holehonnur, Raymond, Hopkins & Fine, 2009:167). Another definition of brand equity is that it is a set of values that represents the brand. These values are linked to assets and liabilities which can add or subtract from the value provided by the product or service. The added values differentiate the brand from its competitors and can be beneficial for the organisation as well as the customer (Pike, 2004:71; Wood, 2004:158; Fill, 2006:415; Weitz & Wensley, 2006:153; Pike, 2007:53; Aaker, 2008:157; Grewal & Levy, 2008:276; Keller & Lehmann, 2009:8; Christodoulides & de Chernatony, 2010:46; French & Smith, 2010:462; Shimp, 2010:34). Therefore brand equity can be based on the organisation and on the customer.

3.4.1 Organisation-based brand equity

Organisation-based brand equity is the term that is used to represent brand performance and is measured in terms of financial value (Pike, 2010:125). Shimp (2010:35) explains that organisation-based brand equity focuses on the outcomes extending from efforts to enhance a brand's value to its various stakeholders. These outcomes or benefits include the following:

Table 3.3: Benefits of organisation-based brand equity

BENEFITS	AUTHORS
Financial value – is the outcome of customers’ positive response to the brand that will result in increased market share and profitability of the brand	Keller & Lehmann (2009:8); Christodoulides & Chernatony (2009:46).
Achieves Sustained Competitive Advantage being distinguished from other brands	Pike (2004:71); Wood (2004:158); Kollmann & Suckow (2007:349).
Achieving higher market share	Shimp (2010:35).
Increasing brand loyalty	Pike (2007:53); Grewal & Levy (2008:277); Shimp (2010:35).
Being able to charge premium prices – when the demand of the brand becomes less elastic as its equity increases. In other words a tourist is willing to pay more for the favourable four star hotel instead of a three star hotel	Pike (2004:71); Pike (2007:53); Lehmann & Winer (2008:158); Keller & Lehmann (2009:8); Shimp (2010:35).
Earning a revenue premium – Generating greater sales volumes	Grewal & Levy (2008:276); Keller & Lehmann (2009:8); Shimp (2010:35)

Table 3.3 shows that brand equity has few benefits or positive outcomes for the organisation. These outcomes can be used to evaluate and measure organisation-based brand equity. Organisation-based brand equity can be viewed as the financial perspective that considers a brand’s value as a definable asset, based upon the net present values of discounted future cash flows (de Chernatony & McDonald, 2003:437; Fill, 2006:415; Pike, 2010:125).

It should be kept in mind that increased market share and profitability of the brand is based on the market's perceptions, which are considered as customer-based brand equity (Christodoulides & de Chernatony, 2010:46). To understand interpretations of brand equity, Feldwick (in Christodoulides & de Chernatony, 2010:46) identified three ways in which the term brand equity has been used namely:

- The total value of a brand as separate asset – when it is sold or included on a balance sheet;
- To measure the strength of consumers' attachment to the brand; and
- A description of the associations and beliefs the consumer has about the brand.

It is clear that the first term is associated with organisation-based brand equity while the other two terms reflect customer-based brand equity. Therefore organisation-based and customer-based brand equity are linked (Christodoulides & de Chernatony, 2010:46), which means that if the organisation wants to achieve the financial benefits they should focus more on customer-based brand equity.

3.4.2 Customer-based brand equity

Customer-based brand equity can be defined as the added value of the product or service which may reflect the way consumers think, feel, and behave with respect to the brand, as well as the financial outcomes such as the market share and profitability for the organisation (Kotler & Keller, 2009:228). According to Keller (2008:48) customers will react more favourably to an identified and known product and the way it is marketed than when it is not, and this results in positive customer-based brand equity (French & Smith, 2010:463; Wang, Wei & Yu, 2008:306). This will in turn result in customers who are more flexible and willing to accept a new brand extension for a brand and who will be less sensitive to increased prices and new distribution channels (Keller, 2008:48).

Weitz and Wensley (2006:153) and Keller (2008:48) identify the same three elements that are key to the definition namely:

- *Differential effect*

Brand equity originates from the different customer responses. When there are no differences the brand can be classified as a commodity or a generic version of the product. Competition will most likely be based on price only. Feldwick (in Fill, 2006:416) adds that brand value can be a differential effect and is based on financial and accounting base.

- *Brand Knowledge*

The different responses of customers are the result of brand knowledge. Knowledge is what the customers has learned, felt, seen and heard about the brand as well as their experiences with the brand over time. The organisation's marketing activities can influence the customers but brand equity mainly depends on what resides in the minds of consumers. Brand knowledge can be brand strength, which is measured by means of the customer's attachment to the brand (Feldwick in Fill, 2006:416).

- *Customer's response to marketing*

The different responses of customers are reflected in perceptions, preferences and behaviour related to all aspects of brand marketing. This marketing includes the customer's choice of brand, recall of the brand from advertisements, response or attitude to sales promotion and evaluations of a brand extension proposal.

The result of Keller's (2008:49) study regarding the above, indicated that customers with different opinions about branded or unbranded versions of similar products can change their product perception through knowledge (marketing activities about the brand, word-of-mouth, or past experiences) about the brand.

Thus it can be concluded that the real power of customer-based brand equity lies in the minds of the consumer and what they experienced and learned about the brand over a period of time (Kim, Kim, Kim, Kim & Kang, 2006:77; Keller & Lehmann, 2009:9). O’Guinn, Allen and Semenik (2009:24) agree that brand equity is developed when a positive association with the brand is created and maintained within the customer’s mind.

Brand knowledge involves thoughts, images, experiences, feelings and beliefs that may be associated with the brand. Therefore strong, favourable and unique brand associations with the tourists should be created (Kotler & Keller, 2009:231). The key in creating customer-based brand equity is brand knowledge, because a differential effect in the customer response is created that manifests itself in brand equity. The question, then, is how brand knowledge exists in the customer’s memory. The memory consists of a network of nodes and connecting links, according to the associative network memory model. Nodes represent stored information or concepts, while links represent the strength of association between information or concepts.

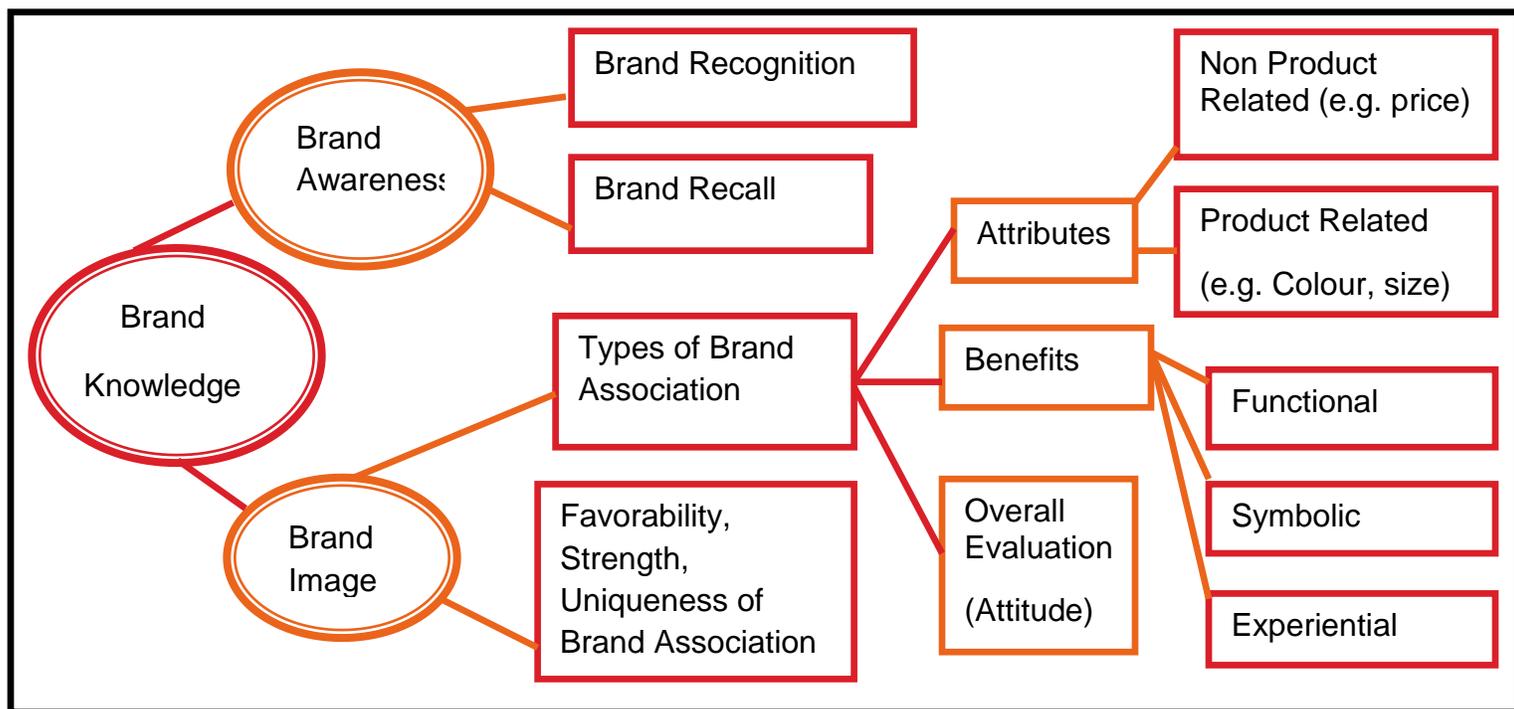


Figure 3.1: A Customer-Based Brand Equity Framework
 Source: Adapted from Keller in Shimp (2010:37)

Any type of information – whether its verbal, visual, abstract or contextual information – can be stored in the memory network (Keller, 2008:51; Christodoulides & de Chernatony, 2009:47; Holehonnur, Raymond, Hopkins & Fine, 2009:170; Keller & Lehmann, 2009:9; Kotler & Keller, 2009:231).

It can be deduced from the previous mentioned that brand knowledge can be conceptualised as a brand node in the memory to which a variety of associations have been linked. Therefore brand knowledge has two separate components: brand awareness and brand image.

3.4.2.1 Awareness

According to Keller (2008:51) brand awareness is related to the strength of the brand node or trace in memory, which can be measured as consumer's ability to identify the brand under different conditions. Aaker (in Pike, 2008:181; Boo, Busser & Baloglu, 2009:221) explains that awareness represents the strength of the brand's presence in the mind of the target, with the goal not being to achieve general awareness, but to be remembered for the reasons intended. In other words, when the tourist thinks about purchasing a specific product, the first brand name that comes to mind and the ease with which the name is evoked, will relate to brand awareness (Shimp, 2010:37). In tourism and hospitality, brand awareness is considered a main component of a brand's effect. Brand awareness is an important antecedent of customer value and contributes to hospitality organisation's performance (Boo, Busser & Baloglu, 2009:221).

Awareness can provide a number of competitive advantages (Aaker, 2007:158). First, the brand can be provided with a sense of familiarity. The more familiar a customer is with the brand, the easier the decision process will be, because a familiar brand is often viewed as more reliable and of more quality (Grewal & Levy, 2008:277; Pride & Ferrell, 2010:331). Therefore it reduces risk association with a familiar option (Lehmann & Winer, 2008:159). Second, brand awareness can be a signal of presence, commitment and substance, attributes that are important and of value, which can influence the customer's decision making process. Third, salience of a brand is created, in other words the recall and recognition of a brand. Brand

recognition is the ability of the brand to be recognised by customers as one to which they have already been exposed, or as one they can recognise with the help of a cue. Brand recall is the ability to retrieve the brand from memory with cues such as product category, needs fulfilled, purchase or usage occasion (Keller, 2008:54; Holehonnur, Raymond, Hopkins & Fine, 2009:170). The easier it is for the customer to recall and recognise a brand from its competitors, the better chances are the brand will be selected.

To create brand awareness, various brand elements should be exposed repeatedly to the customers by means of the organisation's communication strategy, which includes advertisements, promotions, personal selling, publicity, event marketing and word-of-mouth marketing (Grewal & Levy, 2008:279). Therefore the main objective of the organisation should be to achieve top-of-mind awareness, which exists when the organisation's brand is the first brand that the customer recall when thinking about brands in a particular product category.

3.4.2.2 Image

The second component of brand knowledge is the brand's image. Brand image represents the associations that are activated in the memory when customers think about a particular brand (Keller, 2008:51; Kapferer, 2008:174; Sayre, 2008:183; Oakenfull & McCarthy, 2010:281; Shimp, 2010:39). Keller (2008:51) explains that brand associations are the other information nodes linked to the brand node in memory and contain the meaning of the brand for consumers. Associations can come in all forms in terms of type, favourability, strength and uniqueness. Associations can be formed from direct experience, word of mouth, assumptions or inferences customers make about the brand, its name, logo, or identification with an organisation, country, channel of distribution, or person, place or event. It is important for marketers to recognise the influences of these other information sources and consider it when designing communication strategies (Keller, 2008:65; Sayre, 2008:183; Oakenfull & McCarthy, 2010:281).

Brand image can be considered as the customer's perception of social approval. The main dimension of brand equity in tourism and hospitality is brand image, because it is important in

building a destination's brand and has a great influence on customer loyalty (Boo, Busser & Balogu, 2009:221). Kapferer (2008:174) explains that brand image has a receiver' side, sender' side and the message that is communicated between them that creates the specific image. Brand image is the perception the receiver has about a product, brand, or a destination. This image refers to the way the receivers decode all the signals emanating from the products or services and the communication that is covered by the brand. The image or identity on the sender's side is to specify the brand's meaning, goal and self-image. It is important for the sender to know exactly what they want to project about the product before the message is created for marketing purposes. The challenge is that the projected image of the product should be received by the receiver by means of the marketing message in the way it was intended by the sender.

For example, McDonald's marketing programme attempts to create brand associations in customers' minds between its products and "quality", "services", "cleanliness" and "value". The brand has a rich image that includes "Ronald McDonald", "for kids", "convenient" and even negative associations such as "fast food". Coca-Cola aims to link brand association such as "taste", "refreshment", "affordability" and "availability" in the minds of the customers. Mercedes Benz achieved strong associations with the brand such as "performance", "status", "safety" and "luxury" (Keller, 2008:53). It is challenging for tourism, hospitality and destination organisations to create an image for their products because the products is more of a service and experience. However, some tourism organisations achieved successful brand images, such as Sun International, Southern Suns and Kruger National Park. Sun International is associated with "luxury", "status" and "enjoyment".

As explained above, brand knowledge comprises of two components – awareness and image – which play a very important role in building destination brands and creating brand equity. It is also considered to influence customer loyalty (Boo, Busser & Balogu, 2009:221). Below a customer-based brand equity model and the different levels in loyalty will be discussed in more detail.

3.5 BRAND LOYALTY

There are many brands in the tourism and hospitality industry to choose from and each brand is aggressively trying to capture customers (Morrison, 2010:238). The goal is to achieve lifelong visiting behavior among travelers, rather than a cross-sectional perspective in which one visit is completely unrelated to previous visits or experiences (Opperman, 2000:80). It is therefore essential to gain a thorough understanding of brand loyalty. Brand loyalty refers to the repeated purchasing or visiting of a specific brand and to word-of-mouth recommendations over a certain period of time (Lin, Wu & Wang, 2000:279; Morgan & Pritchard, 2001:229; Pike, 2004:74; Grewal & Levy, 2008:280; Li, Petrick & Zhou, 2008:85; Sayre, 2008:184; O'Guinn, Allen & Semenik, 2009:24; Pike, 2010:129; Pride & Ferrell, 2010:330). An improved understanding of loyal customers' and potential brand switchers' needs and attitudes towards key brand attributes this may result in increased market share, by fulfilling the needs of repeat customers. Brand switchers can thus be converted into loyal customers by focusing on the key attributes that will reinforce the customer's brand-related beliefs and attitudes (Lin, Wu & Wang, 2000:278; Shimp, 2010:17). Communicating the brand features is very important in this process, because it reminds the customers of the value (tangible and intangible) of the brand and motivates the customers to remain loyal to the brand (O'Guinn, Allen & Semenik, 2009:24; Shimp, 2010:161).

As the customers continue to repurchase a brand, a committed relationship is achieved by means of trust. Trust is an essential part of brand loyalty, and is derived from the quality of the brand experience. It is also a very emotional issue and brands therefore have to create personal links with customers (Temporal, 2002:30). Trust can also be defined as the willingness of the average customer to rely on the ability of the brand to perform its stated function (Chaudhuri & Holbrook, 2001:84). It is needs to be well thought through and carefully considered. If trust is achieved in the relationship between the customer and the brand it ultimately leads to brand loyalty (Chaudhuri & Holbrook, 2001:84).

There are two dimensions to consider when loyalty is conceptualized, namely attitudinal loyalty and behavioural loyalty. Attitudinal loyalty is the psychological commitment which involves affective response and general attitude or association toward a certain brand. Tourists with a positive attitude towards a destination will distribute positive word-of-mouth about it, even if they

do not visit the destination. Behavioural loyalty is the behavioural consistency in using a brand, or the intention to repurchase and intensity of purchase (Opperman, 2000:80; Chaudhuri & Holbrook, 2001:84; Li, Petrick & Zhou, 2008:85). According to Opperman (2000:80), destinations in the tourism industry should focus more on behavioural loyalty because return visits provide the needed demand and turnover.

Brand loyalty has numerous benefits that guarantee brand success, as demonstrated below.

Table 3.4: Benefits of Brand Loyalty

	BENEFITS	AUTHORS
ORGANISATIONS	Provides resistance to switch to competitors' brands. This may be influenced by the previous experience with the brand, which is important for a tourism product.	Lin, Wu & Wang (2000:278), Chaudhuri & Holbrook (2001:84), Aaker (2008:160), Grewal & Levy (2008:280), Pride & Ferrell (2010:330), Shimp (2010:161).
	Brand loyal customers are less price sensitive and are willing to pay premium prices for a brand.	Chaudhuri & Holbrook (2001:84), Aaker (2008:160), Grewal & Levy (2008:280), Homburg, Kuester & Krohmer (2009:139), Kotler & Keller (2009:277), Shimp (2010:161).
	Provides sustainable competitive advantage.	Aaker (2008:160), Homburg, Kuester & Krohmer (2009:139).
	It is cheaper to retain and keep existing loyal customers instead of pursuing new customers. Marketing costs are thus reduced because of the familiarity of the brand.	Chaudhuri & Holbrook (2001:84), Pike (2004:75), Aaker (2008:160), Grewal & Levy (2008:280), Shimp (2010:161).
	A relatively large satisfied customer base provides an image of the brand that it is acceptable, successful and includes service quality.	Aaker (2008:161).

	Encourages repurchases or revisits of the brand.	Lin, Wu & Wang (2000:279), Morgan & Pritchard (2001:229), Pike (2004:74), Grewal & Levy (2008:280), Li, Petrick & Zhou (2008:85), Sayre (2008:184), O'Guinn, Allen & Semenik (2009:24), Pike (2010:129), Pride & Ferrell (2010:330).
CUSTOMERS	Reduces risk of unsatisfactory experience and shortens the time spent by the customer when purchasing the brand.	Pike (2004:75), Pike (2008:182), Pride & Ferrell (2010:330).
	Knowledge that the customer will be able to identify with others as the destination.	Pike (2004:75), Pike (2008:182).
	Provides emotional attachment to the experience of the brand.	Pike (2004:75), Pike (2008:182).
	Exposes others to a previously satisfying experience; in other words word-of-mouth exposure.	Chaudhuri & Holbrook (2001:84), Pike (2004:75), Pike (2008:182).

In Table 3.4 most of the authors agrees and emphasis that brand loyalty encourage repurchases or revisits of the brand and it also ensures that brand loyal customers are less price sensitive and are willing to pay premium prices for a brand. Therefore it can be deducted that brand loyalty is important to achieve the competitive advantage and ensure the sustainability of the company. It is recommended that tourism organisations should strive to achieve brand loyal visitors or tourists.

3.6 SIX DIMENSIONS OF CUSTOMER-BASED BRAND EQUITY EQUALS LEVELS OF LOYALTY

Customer-based brand equity is established when a high level of familiarity and awareness is achieved with the brand and if it holds strong, favourable and unique brand associations in memory. Wood (2004:158), Weitz and Wensley (2006:153) and Kotler and Keller (2009:234) agree with Keller's (2008:59) series of steps in terms of building a brand:

- Firstly, establish a proper brand identity for the product and its associations in the minds of the customers.
- Secondly, create the appropriate brand meaning by linking a host of tangible and intangible associations.
- Thirdly, the right brand response should be elicited in terms of brand judgments and feelings.
- Finally and most importantly, forge an appropriate, intense and active loyalty relationship between the customers and the brand.

When these four steps are achieved, illustrated in Figure 3.2, it involves establishing six core brand values or for the purpose of this study, the six brand loyalty levels. These brand loyalty levels are salience, brand performance, brand imagery, brand judgments, brand feelings and brand resonance, which is the highest level of loyalty.

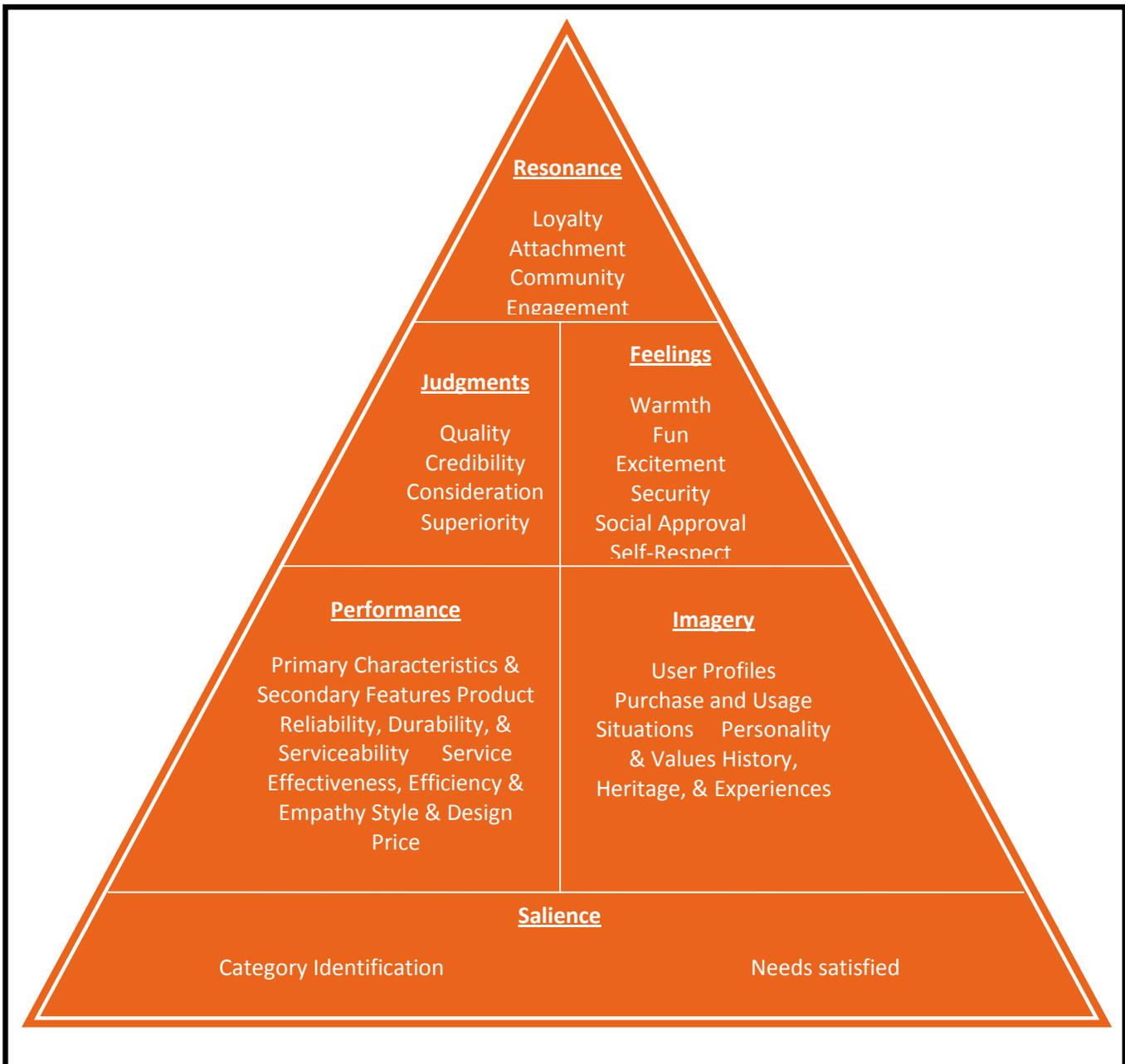


Figure 3.2: Sub-dimensions of Brand Building Blocks or Brand Loyalty Levels

Source: Adapted from Keller (2008:61)

Each of these loyalty levels and their sub dimensions will be discussed below.

3.6.1 Brand salience

Brand salience is the foundation and the first level of brand loyalty. It measures the brand's awareness, for example how often and how easily customers think of the brand under various purchase or consumption situations (Keller, 2008:60; Kotler & Keller, 2009:235). Pike (2007:53) explains that brand salience in destination marketing represents the strength of the destination's presence in the mind of the target when a given travel context is considered. Brand salience measures the extent to which the brand is top-of-mind, easily recalled or recognised, the type of cues or reminders necessary and how pervasive brand awareness is. Brand awareness helps the customers to identify and understand the product or service category and ensures that the customers know which of their needs will be satisfied (Pike, 2007:53; Keller, 2008:4; Pike, 2010:128). For example, when a customer thinks about the KKNK, they know that it is a festival in the Klein Karoo that takes place every year during the April school holidays, and that it provides a variety of art products and stage productions that will satisfy their recreational needs. The KKNK is a brand that is easily recalled and recognised when the visitor thinks on visiting a festival. The goal of this loyalty level is to achieve a high-salient brand that has depth and breadth of brand awareness so that the customer always thinks about the brand and makes sufficient purchases.

Brand salience is important but other considerations such as the meaning and image of the brand also plays a role for many customers. The establishment of brand image creates brand meaning, in other words, how the brand is characterised and what it should stand for in the minds of customers. The brand associations related to performance and image make up brand meaning and can be formed directly (from the customer's own experience) or indirectly (through marketing materials or other sources of information, like word-of-mouth) (Keller, 2008:64).

Below, brand meaning, which is the next loyalty level and which involves brand performance and brand imagery, will be discussed.

3.6.2 Brand meaning

The second level of brand loyalty is to shape the customer's associations with the brand. Brand associations can be anything that is linked, directly or indirectly, in the tourist's memory to a

brand or destination and its key product attributes (Pike, 2007:54; Aaker, 2008:161; Grewal & Levy, 2008:280; Pike, 2008:181; Pike, 2010:129). To create differentiation between the brand and its competitors, associations with specific attributes can be used (Grewal & Levy, 2008:208).

Aaker (2008:161) explains that associations are product attributes and customer benefits that have obvious relevance because a reason to purchase the product is provided and thus serve as a basis for brand loyalty. Destination attractiveness is a function of the benefits desired by the tourist and the ability to provide these benefits (Pike, 2007:54; Pike, 2010:129).

The organisation should know what they want the brand to stand for. It should be determined what the current image or personality of the brand is, and whether it agrees with what the organisation wants to create (Wood, 2004:160). If it does not, the perception should be changed. When the brand's meaning is understood by the customers, they come to rely on it as a shortcut when making purchase decisions and it reduces the perceived risks. The organisation can create and mould the brand meaning by means of positioning and through favourable associations backed by product performance, distinctive design, features that deliver value through need satisfaction and so on (Wood, 2004:160). Brand meaning is defined by Shimp (2010:129) as the thought and feelings that are evoked within a person when presented with a sign in a particular context. Meaning is not external but rather internal to an individual. It should be kept in mind that meaning is not imposed upon the customers but rather constructed by the interpreter of signs. Brand performance and brand imagery are involved in creating brand meaning.

3.6.2.1 Brand performance

The product is the main influence on what a customer experiences with a brand, what is heard about the brand from others and what information is given to the customer by means of marketing communications. This makes the product the heart of brand equity (Keller, 2008:64). A good experience with a product is the result of satisfied customers. Satisfaction can be an emotional response which is not only affected by the whole market, but also by product characteristics, service and seller when purchasing products or it can be the state of adequately

recognising an appropriate or inappropriate experience in response to the sacrifice. In other words, the expectation of feelings and experience from purchase behaviour is the psychological state which is satisfaction. This influences the repurchase or revisit rate because when a service or product exceeds the customer's expectations, it results in customer satisfaction (Temporal, 2002:5; Kim, Kim, Kim, Kim & Kang, 2008:76). Therefore successful marketing should design or deliver a product that satisfies the customer's needs and wants, regardless of whether the product is tangible, a service, an organisation, a destination or a person. To create brand loyalty and resonance, the marketer should ensure that the customer's needs are met and their expectations are surpassed (Keller, 2008:64; Kotler & Keller, 2009:235).

Keller (2008:64) explains brand performance as a description of how well the product or service meets the more functional needs of the customers; rate the objective assessments of quality and the extent to which the brand satisfies utilitarian, aesthetic and economic customer needs and wants within the service or product category. Brand performance differentiates the brand by means of transcending the product's ingredients and features to include dimensions. According to Keller (2008:65), five important types of attributes and benefits underlie brand performance, namely:

- *Primary ingredients and supplementary features*

For a product to work, some attributes are essential ingredients, whereas other features are supplementary and allow for customisation and more versatile, personalised usage. For example, good stage productions and creative art stalls are essential ingredients for an arts festival, whereas the food stalls are supplementary but still an important feature, because it satisfies the visitors' basic needs.

- *Product reliability, durability and serviceability.*

Consistency of product performance is measured by reliability, over time and from purchase to purchase. Durability is the expected economic life of the product, while serviceability is the ease of repairing the product if needed. However, serviceability in the tourism industry

will be measured from the first interaction with the customer till after the product is used. Factors such as speed, accuracy, and care of product delivery and installation; and the promptness, courtesy and helpfulness of customer service and training all affect the perception of product performance. The KKNK may be regarded as reliable because it is revisited each year. To ensure this, KKNK has to provide fast, effective customer services by employing well trained staff at their offices, providing friendly and effective services at the information booths, providing an easy access and customer-friendly website where festival visitors can keep up to date with the festival's events, friendly staff at the art and food stalls as well as providing good entertaining stage productions.

- *Service effectiveness, efficiency and empathy*

Often customers have performance-related associations with service. Service effectiveness measures how well the brand satisfies the customers' service requirements. The speed and responsiveness of service are described by service efficiency. Service empathy is the extent to which service providers are seen as trusting, caring and having the customers' interests in mind.

- *Style and design*

The association customers may have about the product can go beyond its functional aspects such as its size, shape, colour and materials involved. Performance may also depend on sensory aspects such as how the product feels, looks and even what it sounds or smells like (Keller, 2008:65; Das, Stinger & Ellis, 2010:30).

- *Price*

Pricing of a brand can create associations in the minds of the customers, for example how expensive or inexpensive the brand is and whether it is frequently or substantially discounted. Performance associations regarding price is important because customers can

organise their brand knowledge according to the price tiers of different brands (Keller, 2008:65). The KKNK can become more price effective by for instance providing product packages such as combining different types of shows with a meal and drink at one of the food stalls.

These five types of attributes and benefits are not only important to consider but can be used to measure and evaluate the brand's performance. The KKNK festival organisers should keep these five types of attributes in mind when evaluating the performance of the stalls, information booth, productions and shows to determine the overall performance of the festival. They should also encourage the contractors of the stalls, productions and shows to use these five attributes and benefits to improve their services and performances. Furthermore to ensure positive brand performance the KKNK festival organisers should be up to date with the visitors' ever changing needs and wants and design their festival so that its products and stage productions meet the needs of the visitors. Positive brand performance result in positive brand image.

3.6.2.2 Brand imagery

The second type of brand meaning is brand imagery. Brand image was discussed in paragraph 3.4.2.2. Brand imagery describes the extrinsic properties of the product or service, including the ways in which the brand attempts to meet the psychological or social needs of the customers (Kotler & Keller, 2009:235). It is how the customer thinks abstractly about the brand instead of what the brand actually does (Keller, 2008:65) and refers to more intangible aspects of the brand. Keller (2008:65) identifies four types of intangibles that can be linked to the brand, namely:

- *User profile*

The type of customers and organisations that use the brand may have their own set of imagery associations. Typical or idealised brand users may base their associations on descriptive demographic or abstract psychographic factors. Demographic factors include:

gender (for example *Secret* deodorant and services like manicures at a spa have “feminine”, associations whereas *Right Guard* deodorant and 4x4 routes have more “masculine” associations); *age* (older tourists will have historical or education associations with travelling and younger tourists will have adventurous, fun, excitement and daring associations with travelling), *race* and *income* (tourists with a higher income spend and travel more than tourists with a lower income). Psychographic factors include careers, attitudes toward life, possessions and social issues, for example tourists who prefer the outdoors will have different associations with the Kruger National Park than tourists who prefer luxury destinations (Keller, 2008:66). The arts festival can use the user profile to determine the gender, age group and income group profile of tourists visiting the festival and the image they have about the festival. This is important for target marketing or when the product needs modifications.

- *Purchase and usage situations*

These include associations that indicate when and under what conditions the customer should purchase and use the brand. Associations can relate to the type of channel, for example travel agencies, tour operators or the internet when purchasing or considering a tourism product. The usage situation can relate to the time of day, week, month or year when the brand should be used, for example going to the coast during the summer holiday or visiting the KKNK which takes place once a year, for a week in April. The tourism and leisure industry is well aware of the seasonal factors that influence the visitors’ purchase and usage situations.

- *Personality and value*

A brand that has a personality, such as a human, tends to be more memorable and favourable than a brand that is only a sum of attributes and is bland (Grewal & Levy, 2008:280; Keller, 2008:66). It should be kept in mind that values or attributes of the brand are a powerful force that influence customers’ behaviour during the decision making

process when purchasing a product or brand (Chernatony & McDonald, 2003:137). Marketing activities and customer experience can create a personality for the brand and there are a variety of personalities. Keller (2008:66) and Weitz and Wensley (2006:159) describe five factors of brand personality, namely: *sincerity* (e.g., down-to-earth, honest, wholesome and cheerful), *excitement* (e.g., daring, spirited, imaginative, and up-to-date), *competence* (e.g., reliable, intelligent and successful), *sophistication* (e.g., upper class and charming), and *ruggedness* (e.g., outdoors and tough). Hotels can be inspired by a theme related to a personality, like The Rolling Stone Phoenix hotel that attracts rock-and-roll and entertainment personalities with its sense of cool, funky and adventurous décor (Weitz & Wensley, 2006:159; Riesenbeck & Perrey, 2007:146; Aaker, 2008:166; Keller, 2008:66). Brand personality can be defined as the human characteristics, traits or values that are attributed to a brand (de Chernatony & McDonald, 2003:137; Weitz & Wensley, 2006:159; Keller, 2008:66; Oakenfull & McCarthy, 2010:281). Often customers choose and use a brand that have a brand personality consistent with their own self-concept or that fits the consumption situation. De Chernatony and McDonald (2003:141) explain that if the brand has well-defined personality, customers will interact with and develop a relationship, just as with a real person. To determine the nature of the relationship between the customers and the brand, one should identify the attitudes and behaviours they display towards each other, and in particular how consumers perceive and react to a brand and how the brand behaves and react to the consumer. The brand's personality connects emotions to the customer and enhances loyalty (Temporal, 2002:132).

- *History, heritage and experiences*

Brands can take on associations with their past and certain noteworthy events in the brand history. Personal experiences and episodes or past behaviours and experiences of friends, family or others can be recalled by these types of associations. There are many associations to the marketing programme for the brand, such as the colour of the product or what the package looks like, the company or person that makes the product and the country in which it is made, the store type in which it is sold, the events for which the brand is a

sponsor and the people who endorse the brand. The associations to history, heritage and experiences involve more specific, concrete examples that transcend the generalisations that make up the usage situation (Keller, 2008:67). In the tourism industry past experiences will have the most influence on the perceived image of the brand. Most visitors of the KKNK, for instance, revisit the festival year after year because of good past experiences with the festival. A destination's history or heritage can also contribute to the image the visitors create about the tourism destination or organisation.

The four types of intangibles cannot only be linked to the brand but also enhance the brand image. Different types of associations related to the performance or imagery may become linked to the brand. There are three important dimensions that characterise the brand associations that make-up the brand image and meaning: strength, favourability and uniqueness. The most positive brand responses, the underpinning of intense and active brand loyalty, can be produced when these three dimensions are successfully implemented. Brand meaning produces brand response (customers' feelings and thoughts about the brand) that is distinguished as brand judgments or brand feelings.

3.6.3 Brand response

The third level of brand loyalty relates to customers' response. Customers can decide on a brand when they are aware of the brand's identity and understand the meaning. Organisations would prefer if the customers believe in their brand, trust it and perceive it as embodying positive qualities. Customers should also see the brand as competitively superior and, importantly, have an emotional connection to the brand. Marketing research is required to determine customers' brand response (Wood, 2004:161). Brand response consists of brand judgments and brand feelings.

3.6.3.1 Brand judgments

Brand judgments focus on customers' own personal opinions and evaluations of the brand. Customers create all types of judgments by putting the different brand imagery and performance associations together (Keller, 2008:68; Kotler & Keller, 2009:235). Keller (2008:86) describes the following four judgments as particularly important:

- *Brand quality*

The overall evaluations of a brand are the consumers' attitudes towards the brand, as this often forms the basis for brand choice. Generally, brand attitudes depend on specific attributes and benefits of the brand. For example, the customer's attitude toward Sheraton Hotel depends on how much he or she believes the brand is characterised by certain associations that matter to the customer for a hotel chain, like location; design and appearance; room comfort; service quality of staff; food service; security; recreational facilities and price. A host of attitudes can be held towards a brand but the most important relate to its perceived quality and to customer value and satisfaction. Familiarity, quality, purchase intent, brand expectations and distinctiveness are the five dimensions that can be used to measure perceived quality of a brand (Keller, 2008:68), for example how familiar visitors are with the KKNK as well as the quality of the stage productions.

- *Brand Credibility*

The three dimensions that are used to describe brand's credibility are perceived expertise (e.g., competent, innovative and a market leader); trustworthiness (e.g., dependable and keeping customer interests in mind) and likeability (e.g., fun, interesting and worth spending time on). In other words, the customer's opinion about the organisation behind the brand measures credibility in terms of what it does, consideration for customers and plain likeability (Keller, 2008:68). The art festival's organisers should be innovative and keep the

visitors' interests in mind when organising the festival every year, to over exceed the visitors' perceptions.

- *Brand Consideration*

Favourable brand attitudes and perceptions of credibility will mean nothing if the customers do not consider the brand for possible purchase or use during their decision making process. Consideration depends on how personally relevant the customers find the brand and is a crucial filter for building brand equity. The extent to which strong and favourable brand associations can be created as part of the brand image involves brand consideration (Keller, 2008:68).

- *Brand Superiority*

How the customers view the brand as unique and better than other brands is measured by brand superiority. It involves the extent to which customers believe that the brand offers advantages that other brand cannot offer. Superiority is crucial when building intense and active relationships with customers and depends on the number and nature of unique brand associations that make up the brand image (Keller, 2008:68).

It can be agreed with Keller (2008:86) that the four judgments are particularly important and that destination organisations should keep these four judgments in mind to improve the product so that the customer can give high scores for the product according to these judgments the next time when deciding on a product and ensure client response. This will result in gaining competitor advantage and satisfying the customer.

3.6.3.2 Feelings

Reactions and emotional responses to the brand make up brand feelings (Keller, 2008:68; Kotler & Keller, 2009:235). When brand choices about products or tourism destinations are

being made it should be kept in mind that the customers are making lifestyle statements and are trying to buy into an emotional relationship and not only an image (Morgan & Pritchard, 2001:217). Certain behavioural responses and patterns can be aroused by emotions. Emotions are the centre of how customers experience life; it determines their value and ethics, influences their judgments and gives colour and meaning to their lives (Batey, 2008:24). Marketing programmes can evoke certain feelings for the brand for example social currency. A brand can affect customers' feelings about themselves and their relationship with others. These feelings can be intense and can be positive or negative (Keller, 2008:68). What customers think about a brand is influenced by how they feel about a brand.

Batey (2008:24) explains how the memory works regarding emotions. When customers use a product and experience something meaningful enough to be processed, the component parts of the experience are stored in different parts of their memory. Any emotion that is associated with the experience is also included in these components. In the unconscious mind emotional memories are stored and when it is triggered all the component parts are reassembled, including emotions that are associated with the memory about the product. Part of the customers' daily experiences is brand encounters that are characterised by the emotional memories associated with them (Batey, 2008:24; Keller, 2008:68; Das, Stenger & Ellis, 2009:31). Batey (2008:25) describes emotion as the subjective, internal experience by an individual of a complex pattern of bodily and mental changes in reaction to some situations.

Organisations are attempting more and more to tap into the customers' emotions with their brands.

Brand feeling has the ability to make the customer feel something during the purchase experience. It is all about the "I feel ..." statement when a product is used (Aaker, 2008:164).

Figure 3.3 summarises the "ten commandments" of emotional branding.

The Ten Commandments of Emotional Branding

From Consumers to People

Consumers buy. People live

From Product to Experience

Products fulfill needs. Experiences fulfill desires

From Honesty to Trust

Honesty is expected. Trust is engaging and intimate. It needs to be earned.

From Quality to Preference

Quality is given. Preference creates the sale

From Notoriety to Aspiration

Being known does not mean that you are also loved

From Identity to Personality

Identity is recognition. Personality is about character and charisma

From Function to Feel

Function is about practical qualities. Sensorial design is about experiences

From Ubiquity to Presence

Ubiquity is seen. Presence is felt

From Communication to Dialogue

Communication is selling. Dialogue is sharing

From Service to Relationship

Service is selling. Relationship is acknowledgement

Figure 3.3: The Ten Commandments of Emotional Branding

Source: Adapted from Keller 92008:69)

It is clear from the above figure that emotional branding is much more than just selling a product. It is about developing a relationship with the customers and fulfilling their desires, gaining their trust, sharing a dialogue and acknowledges the relationship.

Table 3.5: Six types of building brand feeling

Feeling	Description
Warmth	Soothing types of feelings are evoked by the brand and makes customers feel a sense of calm or peacefulness. The brand may evoke feelings such as sentimental, warmhearted or affectionate. For example, Hallmark is associated with warmth.
Fun	Feelings that are upbeat can make customers feel lighthearted, amused, joyous, cheerful, playful and so on. Sun City's Lost City is associated with fun.
Excitement	A brand makes customers feel energised and that they are experiencing something special. It can also evoke feelings such as a sense of elation, of "being alive", or being cool, sexy or so on. Many teens and young people see MTV as exciting.
Security	The brand produces a feeling of safety, comfort and self-assurance. Customers do not experience worry or concerns. Insurance for Women is a brand that communicates security to women.
Social Approval	Customers feel that they are judged by others according to their appearance, behaviour and so on. This approval may be the result of direct acknowledgment of the customer's use of the brand by others. Mercedes's brand image is one of status and class and it may signal social approval to customers.
Self-Respect	When customers feel better about themselves. Brands that make customers feel a sense of pride, accomplishment or fulfilment. For homemakers a

brand like Tide laundry detergents is able to link its brand to “doing the best things for the family”.

Source: Adapted from Keller (2008:69)

The first three types of feelings in Table 3.5 increase the level of intensity and are experiential and immediate. The last three types of feelings increase the level of gravity and are private and enduring.

It can be deduced from the above that the customer’s head and the heart can drive customer responses, but what matters is how positive these responses are. Brand judgments and feelings have an influence on the customer’s behavior, responses and emotions when the customer encounters the brand and thinks about it. For example, when visitors to KKNK think about the brand, the feeling of fun, excitement and social approval should come to mind.

3.6.4 Brand resonance

Customer relationship with the brand is the fourth level of brand loyalty. When this level is reached, the customers know about the brand, know what it means to them and how they feel about the brand. However, the organisation wants the customers to be attached to the brand and remain loyal because loyal customers tend to spend more, resist switching to competitors’ brands, are willing to pay premium prices for the brand and will recommend it to others (Wood, 2004:161; Pike, 2007:54; Wang, Wei & Yu, 2008:308; Pike, 2010:129). In short, brand resonance can be described as the nature of the relationship the customers have with the brand and the extent to which the customers feel they can identify with the brand (Keller, 2008:72; Kotler & Keller, 2009:235). Keller (2008:72) explains that resonance is characterised in terms of intensity, or the depth of the psychological bond that customers have with the brand, as well as the level of activity engendered by this loyalty (repeat purchase or visit rates and the extent to which brand information, events and other loyal customers are sought by customers). Brand recognition and loyalty depends on brand resonance. Brand resonance comprises 4 categories, namely:

- *Behavioural loyalty*

Behavioural loyalty refers to the customer's behaviour of repeatedly purchasing a specific brand over a period of time. It can be measured by means of determining the brand sales, generated profits for the specific category, purchase frequencies and volumes of the product that is sold (Lin, Wu & Wang, 2000:279; Chaudhuri & Holbrook, 2001:82; Li, Petrick & Zhou, 2008:85; Keller, 2008:72; Opperman, 2009:79; Worrthington, Russell-Bennett & Härtel, 2010:246). The lifetime value of behavioural loyal customers can be enormous but behavioural loyalty is not sufficient for resonance to occur. The reason is that some customers may purchase the brand because of necessity – the brand may be the only product stocked and readily accessible, the most affordable or for other reasons (Keller, 2008:72).

- *Attitudinal attachment*

Resonance requires a strong personal attachment. Customers should go beyond having a positive attitude to the brand and view it as something special. Attitudinal attachment is psychological attachment or commitment and can be described as the customer's affective response and general attitude towards a certain brand (Li, Petrick & Zhou, 2008:85). Customers can develop strong emotional ties with the brand which result in repurchase of the brand and the willingness to pay premium prices for the pleasure involved (Chaudhuri & Holbrook, 2001:82). Customers may report that they "love" the brand and describe it as their favourite possession or view it as a "pleasure" that they are looking forward to (Keller, 2008:72).

Satisfaction may not be sufficient: for example, Frederick Reichheld (in Keller, 2008:72) points out that more than 90 percent of car buyers are satisfied or very satisfied when they drive away from the dealer's showroom, but fewer than half buy the same brand of car the next time. Destinations, tourism organisations and festivals can relate to this because tourists although may be satisfied with the product, it does not guarantee that the tourist will visit the destination

again. Greater loyalty should be created by means of creating deeper attitudinal attachment through marketing programmes that fully satisfy the customers' needs (Keller, 2008:72). Needs change; therefore products should adapt.

De Chernatony and McDonald's (2003:144) attributes of a good brand relationship can be considered when the organisation plans to improve the customer's satisfaction.

Table 3.6: Attributes of a good brand relationship

Attribute	Description
Love and Passion	Consumers must feel affection for the brand and want to have it at all costs.
Self-concept connection	The brand must give consumers a sense of belonging or make them feel younger.
Interdependence	The brand must become part of the consumer's everyday life.
Commitment	Consumers need to be faithful to the brand through good and bad times, as in the case of Coca Cola.
Intimacy	Consumers should be very familiar with the brand and understand it well.
Partner quality	Consumers seek those traits in the brand, such as trustworthiness, which they would in a friend.
Nostalgic attachment	The brand should evoke pleasant memories because the consumer, or somebody close to them, used it in the past.

Source: De Chernatony and McDonald's (2003:144)

The attributes in Table 3.6 can be used to measure the organisation's strengths and weaknesses regarding their relationship with their customers and determine whether they have a good brand relationship with the customers and to what extent the customer is attached to the brand.

- *Sense of community*

Brand community is a specialised, non-geographical bound community, based on a structured set of social relationships among customers of a brand (Muniz & O'Guinn, 2001:412; Levy & Hassay, 2005:59; Rosenbaum, Ostrom & Kuntze, 2005:223; Weitz & Wensley, 2006:160). According to Schembri (2008:2) brand community helps to strengthen shared experience of various rituals and traditions. An important social phenomenon may be reflected by identifying with a brand community in which customers feel a kinship or affiliation with other people associated with the brand, whether fellow brand users or customers, or employees or representatives of the organisation. When loyal customers achieve a stronger sense of community it can result in favourable brand attitudes and intentions (Keller, 2008:72). Benefits that can be obtained when individuals achieve a sense of community include membership (a feeling of belonging), influence (a sense of mattering), integration and fulfilment of needs (a feeling that members' needs will be met through group membership) and shared emotional connections (the commitment and the belief that members have shared and will share history, common places, time together and similar experience) (Rosenbaum, Ostrom & Kuntze, 2005:223; Weitz & Wensley, 2006:160; Obst & White, 2007:78). In the tourism and hospitality industry it is critical for brand identity to encapsulate the values of the community, the essence of the visitor experience and to provide a vision to guide and motivate active stakeholders (Pike, 2008:186). When tourists travel during their holiday, other tourists may have a great influence on their consumption experience because of the high involvement activity that is socially constructed (Levy & Hassay, 2005:59). For some tourists this experience can be more memorable and enjoyable because of the interaction with other tourist; at KKNK the visitors can interact with other visitors and share their interests and experience with the festival.

- *Active engagement*

The strongest affirmation of brand loyalty can be achieved when customers are engaged in, or willing to invest time, money, energy or other resources that the customer spend during the purchase or usage of the brand. When a customer for example chooses to join a club centred on the brand, receive updates and exchange correspondence with other brand users or formal or informal representatives of the brand itself, brand engagement is established. The customer becomes an ambassador for the brand, communicates about the brand and strengthens the brand ties of others. For active engagement to occur with the brand, strong attitudinal attachment or social identity or both are necessary (Keller, 2008:74).

It can be deduced from the above that the four categories of brand resonance, each plays an important role in brand loyalty and helps to build loyal relationship with the brand. The categories which the organisation should strive to achieve is sense of community and active engagement, because it will result in a relationship where the customer feels important, feels part of the brand, and has an emotional connection with the brand, employees and other brand users. The customer will be willing to participate and join a group, receiving updates about the brand, being a brand ambassador and encouraging others to use the brand. This relationship ensure the brand's sustainability by means of positive word-of-mouth recommendations, the customers willingness to spend more and pay premium prices as well as encouraging others to use the brand. However it should be kept in mind that the four categories are depended on each other and one cannot exist without the other. It is recommended for future research to measure each of the four categories to determine on which level of resonance the brand is found so that they can improve their relationship with their customers and achieve the highest level of brand loyalty.

Keller (2008:74) describes two dimensions of brand relationships and brand resonance: *Intensity* measures the strength of the attitudinal attachment whereas *sense of community* and

activity, determines how frequently the customer purchases or uses the brand and engages in other activities not related to purchase and consumption.

Each level has an influence on the customer's loyalty towards the brand. To achieve sustained customer loyalty, the organisation's marketing and product strategy should move the customer up the loyalty level pyramid, from the bottom to the top. This can be achieved in the following way:

- Ensure identification of the brand with customers and creating associations of the brand in the customers' minds with a specific product class or customer need.
- The brand meaning in the customers' minds should be firmly established by strategically linking a host of tangible and intangible brand associations.
- The proper customer responses should be elicited regarding brand-related judgment and feelings.
- The brand responses should be converted to create an intense, active loyalty relationship between the customers and the brand (Kotler & Keller, 2009:234).

The organisation can use the loyalty level pyramid to measure customers' loyalty towards the brand and determine at which level the customers are loyal to the brand. When the loyalty level is determined, the organisation can improve the current loyalty level as well as the levels that follow so that customers' loyalty can be enhanced and move to the following loyalty level, until it reaches the top.

3.7 CONCLUSIONS

The purpose of this chapter was to review the literature regarding brand loyalty to identify and analyse brand loyalty constants, by firstly determining the importance and functions of brands (see Table 3.1). The most important functions of branding is to provide legal protection for the product's features, reduce risks and costs during product decision-making process and simplify product decisions. The creation of a brand name is the first step in building brand equity and involves five steps: getting organised and specifying objectives for the Brand Name; creating

candidate brand names; evaluating the candidate names; selecting a brand name; and registering a trademark. Brand equity is a set of associations and behaviours of the brand's customers that enables the brand to earn greater volume and margins than it could have done without a brand name. It provides a strong, sustainable and differential advantage which is important for competitive festivals.

Brand equity can be organisation-based or customer based: organisation-based brand equity is measured by means of financial value, while customer-based brand equity is the added value of the product or service that may reflect the way customers think, behave and feel with respect to the brand, which influences the financial outcome such as market share and profitability of the organisation. The real power of customer-based brand equity lies in the minds of the customers as well as their experience and knowledge about the brand over a period of time. The framework of customer-based brand equity consists of brand knowledge, awareness and brand image. Brand knowledge is about the thoughts, images, experiences, feelings and beliefs that are associated with the brand and what the customer knows about the brand. Brand awareness represents the strength of the brand's presence in the customer's mind with the goal to be remembered; and not with the goal of achieving general awareness. Brand image represents the associations and perceptions that are activated in the memory when customers think about a particular brand. This framework is important in creating brand equity and influencing the customer's loyalty towards the brand. A high level of familiarity and awareness is achieved with the brand that holds strong, favourable and unique brand associations in the customer's memory.

Six loyalty levels were identified: brand salience, performance, imagery, judgments, feelings and resonance. Arts festivals should strive to reach each loyalty level until they reach the top. When the brand reaches the highest loyalty level, it means that the customers have knowledge about the brand, know what it means to them and know how they feel about the brand. This will ensure that customers resist switching to other brands, they will recommend the brand to others, they will spend more on the brand and will be willing to pay premium prices for the brand. Therefore brand resonance may be described as the loyal relationship between the customers and the brand.

The competition for visitors is great among art festivals, because there are many festivals to choose from. The pressuring economy and high fuel prices have an influence on visitors' decisions about which arts festival to visit. KKNK therefore has to strive to maintain the highest level of brand loyalty to ensure repeated visits because loyal visitors are less price sensitive and more willing to pay premium prices for the brand. This will give the brand a competitive advantage, which leads to sustainable income for the KKNK.

BRAND LOYALTY TO ARTS FESTIVALS: CASE OF KKNK

CHAPTER



EMPIRICAL ANALYSIS: TO DETERMINE THE BRAND LOYALTY OF THE VISITORS TO KKNK

4.1 INTRODUCTION

Brand loyalty focuses on six loyalty levels known as Keller's (2008:60) sub-dimensions of brand building blocks, involving *brand salience*, *performance*, *imagery*, *judgments*, *feelings* and *resonance*. These sub-dimensions are assembled in a pyramid model and the brand that reaches the top of the pyramid achieves strong brand loyalty. These loyalty levels can be used to determine how loyal visitors are towards certain products such as the ABSA Klein Karoo Nasionale Kunstefees (KKNK National Arts Festival; further on KKNK) that is annually presented in Oudtshoorn. In 2009, the researcher administered a survey based on questionnaires to determine the demographic information of respondents who participated in this study as well as to determine how loyal visitors were towards the KKNK. Open and closed questions as well as Likert-scale questions were used to measure and determine the loyalty levels of the visitors towards the arts festival. 422 respondents participated in the survey.

The purpose of this chapter is to analyse and determine the brand loyalty levels of the visitors to the KKNK by reflecting on the results of the questionnaire by indicating, describing and explaining the results of the questionnaire in graphic format. Frequencies were calculated to

describe the data and give perspective to the data set while factor analysis was used to reduce the aspects contributing to brand loyalty and determining the reliability of the data. T-tests and ANOVA were applied to determine differences between demographic data and the identified factors.

4.2 RESULTS

4.2.1 Demographic Results

The respondents' demographic information will be analysed in the following section with reference to gender, age, language, city of residence, marital status, occupation, education and province of residence. This analysis offers a profile of the respondents.

Table 4.1: Demographic Results

		N (Frequency)	Valid Percent
Gender	Male	192	46%
	Female	223	54%
Age	17 - 20 Years	39	10%
	21 - 30 Years	70	19%
	31 - 40 Years	50	13%
	41 - 50 Years	94	25%
	51 - 60 Years	68	18%
	61 - 70 Years	39	10%
	71 - 83 Years	15	5%
Language	English	26	5.8%
	Afrikaans	389	94%
	Other	1	0.2%
Marital Status	Married	265	64%
	Devoiced	14	3%
	Single	105	26%
	Widower/ Widow	21	5%
	Living together	9	2%
Occupation	Professional	83	20%

	Management	36	9%
	Self-employed	41	10%
	Technical	19	5%
	Sales	12	3%
	Mine industry	2	1%
	Administrative	22	5%
	Government Services	14	3%
	Education	23	6%
	House Keeper	41	10%
	Pensioner	43	10%
	Student	56	13%
	Artist	6	1%
	Unemployed	2	1%
	Other	14	3%
Educational level	No School	3	1%
	Matric	151	36%
	Diploma, Degree	143	35%
	Post-graduate	59	14%
	Professional	39	10%
	(Other)	14	4%
City of residence (Only 6 highest percentages included)	George	25	6%
	Cape Town	29	7%
	Mossel Bay	16	4%
	Oudtshoorn	40	10%
	Port Elizabeth	34	8%
	Pretoria	18	4%
Province residence	Western Cape	224	54%
	Gauteng	51	12%
	Eastern Cape	80	19%
	Free State	16	4%
	North West	4	1%
	Mpumalanga	10	2%

Northern Cape	8	2%
KwaZulu-Natal	12	3%
Limpopo	7	2%
Outside South Africa	1	1%

Table 4.1 indicates that 54% of the respondents were female, while 46% were male. Most of the respondents (25%) were between the ages of 41 and 50 years and 19% of the respondents were between the ages of 21 and 30 years. The average age of respondents was 38 years. The KKNK is an Afrikaans festival, with 94% of its visitors being Afrikaans-speaking and only 6% being English-speaking. Most of the visitors (54%) live in the Western Cape, 19% in the Eastern Cape and 12% in Gauteng. The visitors to the KKNK are therefore mostly from the Western Cape, including 10% living in Oudtshoorn (the host town of the festival). 8% are from Port Elizabeth and 7% are from Cape Town. It is clear that this festival attracts visitors from neighbouring provinces, but also from Gauteng, which is more remote and play an important role in the festival.

Sixty four percent of the respondents are married and 26% are single. Visitors to the KKNK are mostly in professional occupations (20%) while 14% are students, 10% are self-employed, 10% are housekeepers and another 10% are pensioners. The respondents are well educated, with 36% indicating matric/ (grade 12) as their highest qualification, 34% indicating a degree or diploma and 14% indicating a post-graduate qualification.

4.2.2 Festival attendance

It is important for festivals such as the KKNK to ensure repeat visits and to increase (grow) the number of visitors to the festival. This section deals with festival attendance and opinions about the festival.

Table 4.2: Festival attendance

		N (Frequency)	Valid Percent
Years Attended	1	88	21%
	2	53	13%
	3	44	11%
	4	45	11%
	5	41	10%
	6	25	6%
	7	16	4%
	8	13	3%
	9	11	2%
	10	17	4%
	11	9	2%
	12	12	3%
	13	7	2%
	14	8	2%
	15	24	6%
First Word that comes to mind when hearing of KKNK	Music	49	12%
	Afrikaans	47	11%
	Festival	45	11%
	Social	34	8%
	Art	33	8%
	Shows	16	4%
	Alcohol	14	3%
	Fun	13	3%
	Enjoying festival	11	3%
Other arts festivals attended	Aardklop	53	13%
	Grahams Town	20	5%
	Rittel Festival	14	3%
	Wildsfees	12	3%
	Word festival	10	2%

Twenty one percent of the respondents were first-time visitors to the festival, and 13% attended it for the second year. These percentages of first-time and second-time visitors are fairly high for a festival that was already in its 15th year of existence in 2009, when the survey was done. Only 6% of the respondents had attended the festival every year for 15 years. However, loyalty is not only measured by repeated visits. In Chapter 3 (3.6.4) it was explained that active engagement, brand relationships have two dimensions: *Intensity*, measures the strength of the attitudinal attachment; and *sense of community* and *activity*, determines how frequently the customer purchases or uses the brand and engages in other activities not related to purchase and consumption (Keller, 2008:74). Therefore, annual repeat visits do not necessary influence the loyalty towards the brand because the brand relationship might have an intensity dimension rather than an activity dimension.

Twelve percent of the respondents reported that *music* was the first word that comes to mind when they think about the KKNK, while 11% reported that the word *Afrikaans* came to mind, and another 11% reported that they immediately thought of *festival*. The concepts *art* (8%) and *social* (8%) were also important.

Thirteen percent of the respondents also attend the Aardklop National Arts Festival in Potchefstroom, which is also mostly Afrikaans, while 5% attend the Grahamstown Arts Festival.

4.2.3 Loyalty towards the KKNK

4.2.3.1 Descriptive statistics on loyalty towards the KKNK

According to McDaniels and Gates (2010:505) descriptive statistics is used to summarise characteristics of large sets of data, therefore descriptive statistics were used for this study. In Table 4.3 the loyalty aspects, where respondents agreed or agreed completely, which were rated above 80% included the following:

- KKNK gives a feeling of fun (89%) – Feelings loyalty level
- KKNK gives a feeling of excitement (87%) – Feelings loyalty level
- KKNK gives a feeling of warmth (85%) – Feelings loyalty level
- KKNK is a sustainable festival (85%) – Performance loyalty level
- I tell others about my experiences with the arts festival (85%) – Image loyalty level
- I like the look of KKNK (83%) – Performance loyalty level
- KKNK delivers quality products (83%) – Judgment loyalty level
- KKNK is associated with quality productions (83%) – Judgment loyalty level
- The image of KKNK is positive (82%) – Image loyalty level
- KKNK delivers effective services (81%) – Performance loyalty level
- The image of KKNK is successful (81%) – Image loyalty level
- The image of KKNK is creative (81%) – Image loyalty level
- KKNK adhere my needs (81%) – Judgment loyalty level
- The staff is friendly and helpful (80%) – Performance loyalty level
- I encourage people to attend the festival (80%) – Judgment loyalty level

The loyalty aspect that was rated highest was *feelings* (loyalty level 5) especially the feeling of fun, followed by feelings of excitement and warmth. This means that the festival creates certain feelings towards the KKNK emotional memories are stored in the unconscious mind and when they are triggered, it reassembles the emotions or feelings that are associated with the memory about the festival (Batey, 2008:24; Keller, 2008:68; Das, Stenger & Ellis, 2009:31). If the highest rated feelings in Table 4.3 are compared with the first three types of feelings in Table 3.5 it becomes clear that these feelings increase the level of intensity and are experiential and immediate.

Table 4.3: Loyalty towards the KKNK Arts Festival

	Disagree completely	Disagree	Neutral	Agree	Agree completely	Mean value	STD value
Brand Saliency							
I regularly think about KKNK	9%	11%	39%	30%	11%	3.24	1.085
I regularly read about KKNK	9%	12%	37%	35%	7%	3.19	1.041
I try to keep up dated about the festival events	7%	13%	29%	39%	12%	3.35	1.077
Brand Performance							
In comparison with other festivals, KKNK delivers excellent services	2%	3%	32%	43%	20%	3.75	.870
KKNK satisfies my needs better than other festivals	2%	5%	38%	37%	18%	3.64	.896
KKNK has unique features in comparison with other festivals	2%	3%	29%	41%	25%	3.84	.900
Information about the festival is reliable	1%	3%	23%	54%	19%	3.88	.776
KKNK is a sustainable festival	1%	2%	12%	56%	29%	4.11	.762
KKNK delivers effective services	1%	3%	15%	59%	22%	4.00	.743
Where a problem occurs, it is solved effectively	2%	3%	35%	46%	14%	3.69	.808
The staff are friendly and helpful	1%	2%	17%	51%	29%	4.04	.801
KKNK's logo is stylish	2%	3%	19%	50%	26%	3.96	.852
I like the look of KKNK	1%	3%	13%	55%	28%	4.06	.789

Compared to other arts festivals KKNK's prices compare well	3%	5%	38%	39%	15%	3.57	.899
Brand Imagery							
Visitors admire and respect the festival	1%	3%	23%	56%	17%	3.84	.774
I can associate myself with the other visitors	2%	5%	23%	53%	17%	3.78	.865
The image of KKNK is down-to-earth	2%	5%	33%	44%	16%	3.67	.882
The image of KKNK is honest	1%	2%	24%	55%	18%	3.86	.765
The image of KKNK is reliable	1%	1%	24%	58%	16%	3.89	.697
The image of KKNK is successful	1%	0%	18%	59%	22%	4.03	.678
The image of KKNK is creative	1%	2%	16%	59%	22%	3.99	.736
The image of KKNK is exclusive	2%	5%	27%	46%	20%	3.78	.884
The image of KKNK is positive	1%	2%	15%	58%	24%	4.02	.741
It is important to attend the festival	3%	5%	28%	44%	20%	3.74	.926
I tell others about my experiences with the arts festival	2%	2%	11%	49%	36%	4.18	.799
Brand Judgements							
KKNK delivers quality products	1%	1%	15%	57%	26%	4.05	.737
KKNK is associated with quality productions	-	1%	16%	56%	27%	4.09	.694
KKNK adheres (fulfils) my needs	1%	3%	15%	59%	22%	3.99	.736
Attending KKNK is value for money	1%	5%	19%	55%	20%	3.90	.794
KKNK staff are innovative	1%	3%	22%	52%	22%	3.90	.798
KKNK staff are reliable	1%	3%	25%	54%	17%	3.85	.762
KKNK staff understand the visitor's needs	1%	2%	22%	58%	17%	3.89	.722

KKNK staff care about the visitor's opinion	1%	3%	23%	55%	18%	3.87	.770
KKNK staff keep the visitors in mind when developing the festival	1%	2%	22%	55%	20%	3.90	.762
I encourage people to attend the festival	1%	2%	17%	49%	31%	4.08	.783
I enjoy attending shows I paid for	1%	2%	18%	50%	29%	4.05	.790
I enjoy attending free shows	3%	3%	19%	43%	32%	4.00	.928
Its important to attend the festival every year	3%	11%	26%	35%	25%	3.66	1.071
<i>Brand Feelings</i>							
KKNK gives me a feeling of warmth	0%	1%	14%	59%	26%	4.09	.687
KKNK gives me a feeling of fun	-	1%	10%	59%	30%	4.20	.618
KKNK gives me a feeling of excitement	-	1%	12%	57%	30%	4.17	.653
KKNK gives me a feeling of security	1%	6%	31%	43%	19%	3.72	.880
KKNK gives me a feeling of social approval	1%	3%	20%	52%	24%	3.97	.781
KKNK gives me a feeling of self-respect	2%	5%	22%	50%	21%	3.82	.898
<i>Brand Resonance</i>							
Loyalty and Attachment							
I classify myself as loyal to the festival	1%	5%	23%	48%	23%	3.89	.836
I visit the festival regularly	4%	9%	22%	41%	24%	3.72	1.061
In general I support the festival	2%	4%	17%	52%	25%	3.94	.864
This is the only festival of its kind that I visit	10%	13%	19%	35%	23%	3.47	1.262
I prefer to attend this festival	1%	4%	18%	49%	28%	3.98	.865
If this festival no longer exists, I will support another	4%	6%	24%	43%	23%	3.75	1.019

festival of the same kind							
Sense of Community							
The festival is part of my lifestyle and culture	2%	6%	23%	45%	24%	3.85	.904
I can really identify myself with other festival visitors	2%	6%	22%	48%	22%	3.82	.916
We are all part of the festival community in South Africa	1%	4%	20%	50%	25%	3.91	.855
Active Engagement							
I enjoy talking about the festival	2%	4%	19%	51%	24%	3.93	.860
I can not wait to see next year's festival programme	3%	5%	27%	42%	23%	3.76	.960
I am interested in buying memorabilia at the festival	5%	11%	32%	38%	14%	3.44	1.032
I am proud that others know that I attend the festival	3%	5%	22%	45%	25%	3.84	.960
I like visiting the KKNK's website	10%	11%	30%	33%	16%	3.34	1.164
I am interested in news about the festival	3%	9%	23%	42%	23%	3.73	1.010

Other loyalty levels that were rated on the high end of the scale were the *performance level*, *judgment level* and *image level*. These levels go hand-in-hand, because the performance and image levels create a meaning of the KKNK to the visitors; and judgments and feelings create visitors' response (Wood, 2004:161; Keller, 2008:767). For example, if visitors' experience the performance of the product and service positively, they will judge the product or service positively as well and a positive image of the product will be created in their minds. These levels influence their feelings towards the product or service, which activates a response (Keller, 2008:67), such as visiting the festival. Brand meaning and brand response thus support brand resonance (Keller, 2008:78).

Resonance aspects that scored the highest regarding an average percentage were as follows: Sense of Community (38%), Loyalty and Attachment (37%) and Engagement (36%). This indicates that the next loyalty level that the KKNK is likely to achieve, if visitors' loyalty keeps growing, is Sense of Community.

The marketers of the KKNK should create a feeling of fun, excitement and warmth in marketing campaigns to create a brand meaning that will attract more visitors to the festival, and that will retain existing visitors by reminding them about the positive feelings they had when they visited the festival. This will activate a response to visit the festival or recommend the festival to others.

4.2.3.2 Factor analysis of brand loyalty

Confirmatory factor analyses were used to determine whether there was any relation between the variables. There were 59 items in the scale which focused on Keller's six sub-dimensional model (six loyalty levels). The factor matrix rotation was performed on each of the loyalty levels of the KKNK. Principal axis factoring was used as a factor extraction method. Bartlett's test of specificity yielded p-values of <0.001, which indicates that the correlation structure is valid for factor analysis of the collected data. Eigen values were above one. The Cronbach coefficient alpha, a reliability measure, was examined for each factor to detect whether the indicators of the construct have an acceptable fit on a single factor. This determines the reliability of the data (Cooper & Schindler, 2003:628). The Cronbach alpha values were all above 0.98, which is highly acceptable.

Table 4.4: Factor analysis: Brand loyalty

Factor	Factor loading	KMO	Variance explained	Cronbach alpha	Mean Value
Factor 1 : Salience		0.79	95%	0.982	3.56
Read regularly about KKNK	0.982				
Think regularly about KKNK	0.971				
Keep up dated about festival events	0.97				
Factor 2 : Performance		0.97	97%	0.998	4.22

KKNK provides effective services	0.993				
KKNK is a sustainable festival	0.991				
Like the image and look of KKNK	0.989				
The staff are helpful and friendly	0.987				
KKNK provides reliable information about the festival	0.987				
Problems are solved effectively	0.986				
KKNK provides excellent service	0.985				
KKNK's logo is stylish	0.985				
KKNK has unique features in comparison with other festivals	0.985				
KKNK satisfies customer needs better than other festivals	0.982				
KKNK's prices compare well with other festivals	0.979				
Factor 3 : Imagery		0.98	98%	0.998	4.24
The image of KKNK is successful	0.995				
The image of KKNK is reliable	0.995				
The image of KKNK is positive	0.993				
The image of KKNK is honest	0.992				
The image of KKNK is creative	0.992				
People admire and respect KKNK	0.989				
I tell others about the experiences with KKNK	0.989				
The image of KKNK is exclusive	0.986				
The image of KKNK is down-to-earth	0.983				
I associate myself with the other festival visitors	0.982				
It is important for me to attend the festival	0.981				
Factor 4 : Judgments		0.98	96%	0.997	4.13
KKNK adheres needs	0.993				

KKNK's staff understand the visitors' needs	0.992				
KKNK's staff develops the festival keeping the visitors in mind	0.992				
KKNK's staff cares about the opinion of the visitors	0.991				
KKNK provides quality products	0.991				
I encourage people to attend the festival	0.991				
KKNK is associated with quality productions	0.991				
Attending the festival is value for money	0.99				
KKNK's staff are innovative	0.99				
KKNK's staff are reliable	0.99				
I enjoy attending paid shows	0.988				
I enjoy attending free shows	0.977				
It is important for me to attend the festival every year	0.856				
Factor 5 : Feelings		0.93	98%	0.997	4.35
KKNK creates a feeling of warmth	0.995				
KKNK creates a feeling of fun	0.994				
KKNK creates a feeling of social approval	0.994				
KKNK creates a feeling of excitement	0.994				
KKNK creates a feeling of self-respect	0.985				
KKNK creates a feeling of security	0.982				
Factor 6 : Resonance		0.98	96%	0.997	4.09
I enjoy talking about the festival	0.99				
I prefer to attend the festival	0.99				
I am proud that others know that I am attending the festival	0.989				
I cannot wait to see next year's programme	0.988				
We are all part of the festival community	0.987				

I classify myself as loyal to the festival	0.987				
The festival is part of my lifestyle and culture	0.986				
I can identify with others	0.985				
I am interested in news regarding the festival	0.984				
In general I support the festival	0.983				
I am interested in paying memorabilia at the festival	0.974				
I visit the festival regularly	0.973				
If the festival no longer exists, I will attend other festivals	0.966				
I enjoy visiting the KKNK website	0.963				
This is the only festival of its kind that I attend	0.946				

The six factors were labelled as Salience (Factor 1), Performance (Factor 2), Image (Factor 3), Judgment (Factor 4), Feelings (Factor 5), and Resonance (Factor 6).

- Factor 1 was labelled as Salience. This factor includes aspects such as thinking and reading about the festival as well as being updated about the event. The mean value of 3.56 indicates the respondents agree that they are aware of the festival and are interested in the KKNK. This factor results in the lowest score of all the factors, which is interesting since loyalty to the festival starts with Salience. However, the score may be low because the brand of KKNK is already well known and people are already aware of this festival.
- Factor 2 was labelled as Performance. This factor includes aspects such as providing effective services, staff who are friendly and helpful, who provide reliable information about the festival and the sustainability of the festival. The mean value at 4.22 indicates that the respondents strongly agree that the KKNK delivers effective services, that it meets their needs and has a positive product performance. This factor realised the third highest score of all the factors. It should be kept in mind that the product is the main influence on the visitor's experience of the brand. A satisfied visitor will have a positive

emotional response towards the brand, which will influence the revisiting rate and the loyalty towards the KKNK (Keller, 2008:64; Kim, Kim, Kim, Kim & Kang, 2008:76).

- Factor 3 was labelled as Imagery. This factor includes aspects such as the image of KKNK being successful, the image of KKNK being reliable, the image of KKNK being honest and the image of KKNK being creative. The mean value of 4.24 indicates that the respondents agree that the image of the KKNK is positive, reliable and successful. This factor has the second highest score of all the factors.

These results are important because image makes up brand knowledge and brand meaning, which are important in the first and third loyalty levels. Brand image has a great influence on the visitors' loyalty and is the main dimension of brand equity in the tourism and hospitality industry (Boo, Busser & Balogu, 2009:221). Brand image is linked to how the visitor feels and thinks abstractly about the brand when the associations of the festival are activated in the memory of the visitor, this creates brand meaning (Keller, 2008:51; Kapferer, 2008:174, Sayre, 2008:183; Kotler & Keller, 2009:235; Oakenfull & McCarthy, 2010:281; Shimp, 2010:39). Visitors to the KKNK feel and think positively about the art festival, and the image of the KKNK is therefore successful, reliable and positive.

- Factor 4 was labelled as Judgments. This factor includes aspects such as KKNK adhering to visitors' needs, KKNK' staff understanding visitors' needs, KKNK providing quality products, attending the festival being experienced as value for money and KKNK' staff developing the festival by keeping the visitors in mind. The mean value of 4.13 indicates that respondents agree that the staff of the KKNK understand and adhere to the needs of the visitors and provide quality products and services. This factor yielded the third lowest score of all the factors. According to Keller (2008:68) brand judgments are formed on the basis of the visitor's own personal opinions about and evaluations of the brand by putting all the different brand performance and imagery associations together. The four types of judgments are quality, credibility, consideration and superiority. However, brand image and performance scored higher and therefore it can be concluded that the visitors focused more on the image and performance of the KKNK

and that this was more important than the four judgments of the arts festival during the decision making process.

- Factor 5 was labelled as Feelings and included the KKNK as creating a feeling of warmth, the KKNK as creating a feeling of fun, the KKNK as creating a feeling excitement and the KKNK as creating a feeling of self-respect. The mean value of 4.35 indicates that the visitors to the KKNK agree that the festival gives them a feeling of warmth, fun, excitement and a feeling of social approval. This factor scored the highest of all the factors, which makes it the most important factor in this study.

Brand feelings consist of reactions and emotional responses (Keller, 2008:68; Kotler & Keller, 2009:235). It should be kept in mind that emotions (feelings) are the centre of how customers experience life; it determines visitors' value and ethics, it influences their judgment and it gives meaning to their lives (Batey, 2008:24). The visitors' thoughts about a brand are influenced by their feelings about the brand and this activates the response towards brand loyalty. As a result, at the time of this survey, the KKNK has achieved the fifth loyalty level, Feelings.

- Factor 6 was labelled Resonance. This factor includes aspects such as visitors enjoying talking about the festival, preferring to attend the festival, classifying themselves as loyal to the festival and considering themselves part of the festival community. The mean value of 4.09 indicates that the visitors agree that they are loyal to the festival because they prefer to attend the festival, they consider themselves part of the festival community and they enjoy talking about the festival. This factor scored second lowest of all the factors. When visitors of the KKNK reach this level of loyalty, they will spend more on the festival, resist switching to other festivals, be willing to pay premium prices for the brand and recommend it to others (Wood, 2004:161; Pike, 2007:54; Wang, Wei & Yu, 2008:308; Pike, 2010:129).

The fact that only 6% of the respondents attended the festival every year for 15 years indicates that the visitors have an attitudinal attachment to the KKNK rather than a behavioural attachment (c.f. 3.6.4). This means that the visitors develop strong emotional

ties with the KKNK which result in repurchase and willingness to pay premium prices for the pleasure involved (Chaudhuri & Holbrook, 2001:82). It is a psychological attachment or commitment that describes the visitors' affective response and general attitude towards the KKNK (Li, Petrick & Zhou, 2008:85).

The mean values for the factors indicated that Feelings (Factor 5, $m = 4.35$) had the most influence in terms of the visitors' loyalty towards the KKNK. Imagery (Factor 3, $m = 4.24$) and Performance (Factor 2, $m = 4.22$) also influenced visitors' loyalty, and therefore their behaviour and responses when they encounter the festival and thinks about it.

4.2.3.3 Spearman's rank order of all the factors (Loyalty Levels)

Spearman's rank order was calculated to determine the correlations between the factors.

Table 4.5: Spearman's rank order of all the factors

	Salience F1	Performance F2	Imagery F3	Judgments F4	Feelings F5	Resonance F6
F1 – Salience	1	.520	.511	.487	.383	.553
F2 – Performance	.520	1	.703	.738	.572	.575
F3 – Imagery	.511	.703	1	.755	.659	.659
F4 – Judgments	.487	.738	.755	1	.699	.704
F5 – Feelings	.383	.572	.659	.699	1	.667
F6 – Resonance	.553	.575	.659	.704	.667	1

All correlations were of large practical significance and statistically significant at a 1% level of significance. This means that there is a strong correlation between the loyalty levels (factors). Therefore the loyalty levels (factors) are related to each other and depend on each other, which implies that the loyalty levels overlap.

4.3 Associations between identified factors and demographic variables

Associations were determined between the loyalty factors (as determined in the factor analysis) and certain demographic information (user profile), including education, age,

gender, language, marital status and residence in province by means of ANOVA, Spearman Correlations and t-tests. Significant associations were determined.

4.3.1 Education

Table 4.6: Results for ANOVA with Education

Variable	Education				
	Matric Mean (N=150)	Diploma / Degree Mean (N=143)	Post graduate Mean (N=59)	F	Sig. Level
F1 – Salience	3.29	3.32	3.38	.277	.758
F2 – Performance	3.87	3.94	3.90	.550	.578
F3 – Imagery	3.93	3.94	3.88	.184	.832
F4 – Judgments	4.00	3.97	3.91	.523	.593
F5 – Feelings	4.10	3.97	3.89	3.38	.036
F6 – Resonance	3.82	3.76	3.72	.554	.575

ANOVA is performed to determine whether there are statistically significant differences between the education level of the visitors and the means of the six loyalty factors. According to Table 4.6 education does not have a significant influence on brand loyalty as there are no statistical differences between education and Salience (F1), Performance (F2), Imagery (F3) and Judgments (F4). However, there is a significant difference between education and Feelings (F5), as visitors with a matric qualification have stronger feelings (fun, excitement, warmth and social approval) towards the festival. This creates positive attitudes towards the festival. This segment is also the young and potential future market of the festival and should be developed. The segment of visitors with a matric qualification may be regarded as the most loyal, when education levels are considered in relation to loyalty towards the festival.

4.3.2 Age

Table 4.7: Correlations of Age with loyalty factors

Variable	
	Age
F1 – Salience	

Correlation	.137**
Sig. (2-tailed)	.008
N	375
F2 – Performance	
Correlation	.078
Sig. (2-tailed)	.132
N	375
F3 – Imagery	
Correlation	.067
Sig. (2-tailed)	.198
N	373
F4 – Judgments	
Correlation	.076
Sig. (2-tailed)	.141
N	373
F5 – Feelings	
Correlation	-.002
Sig. (2-tailed)	.966
N	373
F6 – Resonance	
Correlation	.013
Sig. (2-tailed)	.799
N	372

**** Correlation is significant at the 0.01 level (2-tailed)**

The respondent's age was an open question in the questionnaire, therefore Spearman's rho correlation was performed to determine whether there were any significant associations between age and the six factors. Table 4.7 shows that no significant associations exist between age and Performance (F2), Imagery (F3), Judgment (F4), Feelings (F5) and Resonance (F6). However, there was a small correlation between age and Salience (F1), which indicates that the older the respondents were, the more important Salience was.

4.3.3 Gender

Table 4.8: *t*-test for Gender

Variable	Gender					
	Male		Female		t	Probability Sig (2-tailed)
	Mean (N=192)	Std. Deviation	Mean (N=222)	Std. Deviation		
F1 – Salience	3.26	.87	3.27	.90	-.19	.852
F2 – Performance	3.82	.55	3.92	.60	-1.69	.093
F3 – Imagery	3.88	.56	3.89	.62	-.13	.900
F4 – Judgments	3.90	.59	3.99	.59	-1.61	.107
F5 – Feelings	3.96	.56	4.02	.62	-1.03	.306
F6 – Resonance	3.73	.63	3.77	.72	-.49	.627

An independent samples *t*-test was conducted to compare the factors scores for males and females. Table 4.8 illustrates that females were more loyal towards the festival than males regarding all six factors. However, there was not a significant difference in the scores for males and females regarding any of the six factors.

4.3.4 Language

Table 4.9: *t*-test for Language

Variable	Language					
	English		Afrikaans		t	Probability
	Mean (N=25)	Std. Deviation	Mean (N=389)	Std. Deviation		
F1 – Salience	2.87	.73	3.29	.89	-2.33	.020

F2 – Performance	3.73	.51	3.88	.59	-1.24	.215
F3 – Imagery	3.80	.49	3.89	.60	-.79	.431
F4 – Judgments	3.98	.55	3.94	.59	.31	.756
F5 – Feelings	4.05	.59	3.99	.60	.49	.626
F6 – Resonance	3.57	.72	3.76	.67	-1.33	.183

An independent samples t-test was conducted to compare the factor scores for Afrikaans-speaking and English-speaking visitors related to the identified factors. No significant differences were found in the scores for Afrikaans-speaking and English-speaking visitors regarding factors 2, 3, 4, 5 and 6. However, a significant difference existed between factor 1 and Language, as Afrikaans-speaking respondents ($m = 3.29$), considered factor 1 ($p = 0.02$) more important than English-speaking respondents ($m = 2.87$).

4.3.5 Marital Status

Table 4.10: *t*-test for Marital Status

Variable	Marital status					Probability Sig (2-tailed)
	Married		Single		T	
	Mean (N=264)	Std. Deviation	Mean (N=105)	Std. Deviation		
F1 – Salience	3.36	.88	3.03	.82	3.28	.001
F2 – Performance	3.93	.53	3.70	.67	3.44	.001
F3 – Imagery	3.94	.58	3.74	.63	.38	.005
F4 – Judgments	3.98	.56	3.82	.64	.32	.018
F5 – Feelings	4.01	.58	3.93	.60	.69	.225
F6 – Resonance	3.78	.68	3.67	.70	.65	.151

An independent samples t-test was conducted to compare the factor scores of married and single visitors related to the identified factors. There was no significant difference between the scores for married and single visitors regarding factors 5 and 6. However, significant differences were found between factors 1 to 4 and Marital Status, as married visitors ($m = 3.36, 3.93, 3.94 \text{ \& } 3.98$) considered factors 1 to 4 ($p = 0.001, 0.001, 0.005 \text{ \& } 0.018$) more important than single visitors ($m = 3.03, 3.70, 3.74, 3.82$). Therefore married respondents are more affected by brand salience, performance, imagery and judgments. This should be kept in mind during the marketing campaign because the user profile indicates that a higher number of married respondents visit the festival than single respondents.

4.3.6 Province of Residence

Table 4.11: *t*-test for Province of Residence

Variable	Marital status					Probability Sig (2-tailed)
	Western Cape		Other		T	
	(N=223)	Std. Deviation	(N=189)	Std. Deviation		
F1 – Salience	3.20	.85	3.34	.92	-1.66	.099
F2 – Performance	3.83	.60	3.92	.55	-1.64	.102
F3 – Imagery	3.82	.61	3.96	.57	-2.37	.018
F4 – Judgments	3.91	.61	3.99	.55	-1.42	.157
F5 – Feelings	3.92	.59	4.06	.59	-2.43	.016
F6 – Resonance	3.70	.66	3.80	.69	-1.56	.119

An independent samples t-test was conducted to compare the factor scores of respondents staying in the Western Cape and those in other provinces combined. There were no significant differences between the scores for residence in the Western Cape and residence in other provinces regarding factors 1, 2, 4 and 6. There were significant differences between factor 3 and factor 5 and province of residence, as respondents from other provinces ($m = 3.96 \text{ \& } m = 4.06$) considered Imagery ($p = 0.18$) and Feelings ($p = .016$) more important than respondents from the Western Cape ($m = 3.82 \text{ \& } m = 3.92$). Imagery and Feelings should be considered when marketing nationally, to attract visitors from other

provinces because these respondents consider it more important than visitors from the Western Cape.

4.4 Conclusions

The purpose of this chapter was to analyse and determine the brand loyalty levels of the visitors to the KKNK. This was achieved by determining the profile of the visitors and their attendance of the festival; descriptive statistics on loyalty towards the KKNK; and factor analysis to determine which loyalty levels had an influence on which demographic factors and to determine the current loyalty level of visitors to the KKNK.

The general user profile of visitors to the KKNK may be named “Susan van der Merwe”. She is 50 years old and Afrikaans speaking. She lives in the Western Cape, with her husband Jan van der Merwe. She matriculated in 1959 and has a professional occupation. She loves to visit the KKNK in her leisure time and thinks of music when she hears about the festival. She will also travel to Potchefstroom to attend the Aardklop National Arts festival.

The analysis of data indicated that 21% of the visitors to the KKNK attended the festival for the first time while only 6% of visitors had attended the festival every year for the past 15 years. Although repeated visits indicate loyalty, it is not the only form of loyalty. It can be assumed that the visitors to the KKNK have a relationship of an intensity dimension with the festival, which measures attitudinal attachment and sense of community. In other words, visitors do not have to visit the festival every year or regularly to be loyal towards the KKNK.

The descriptive statistics indicated that the visitors mostly associated a feeling of fun (89%), a feeling of excitement (87%) and a feeling of warmth (85%) with the festival. This means that loyalty level 5 – Feelings – rated higher than the other loyalty levels and therefore had the most influence on the visitors’ loyalty towards the KKNK.

The factor analysis included the following factors Brand Salience (Factor one), Brand Performance (Factor two), Brand Image (Factor three), Brand judgments (Factor four), Brand Feelings (Factor five) and Brand Resonance (Factor six). Brand Salience (Factor one) rated the lowest, with a mean value of 3.56. This might be because the visitors have moved up the loyalty ladder and past the first level of loyalty. Brand Feelings (Factor five) rated the highest, with a mean value of 4.35. Therefore in this study it is determined that the KKNK’s visitor loyalty is currently at the fifth loyalty level, Feelings. This loyalty level (Factor) will have the

most influence on the visitors' loyalty and therefore is the most important factor to keep in mind when creating a marketing campaign for the KKNK.

Spearman's rank order was used to determine the correlations between all the factors. The correlations were of large practical significance and statistically significant at a 1 % level of significance. A strong correlation was found between the loyalty levels (factors), which indicate that the loyalty levels are related interdependent.

In Chapter 5, the conclusions of this study will be discussed and recommendations will be made.

BRAND LOYALTY TO ARTS FESTIVALS: CASE OF KKNK

CHAPTER



CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The goal of the study was to determine: what are the brand loyalty levels of visitors to arts festivals such as the ABSA KKNK Arts festival?. The following objectives were formulated to achieve this goal:

- To review the literature regarding the role of branding in tourism marketing. This was discussed in Chapter 2 and the following aspects received attention:
 - Understanding the marketing concept
 - The history of marketing
 - The benefits of marketing
 - Tourism marketing – to understand the difference between marketing a tourism product or service and marketing other kinds of products
 - Marketing outcome – to understand positioning and branding.
- To review the literature regarding the brand loyalty to identify and analyse the brand loyalty constants. This was achieved in Chapter 3, with an in-depth discussion concerning the following aspects:

- The role and importance of branding
 - Creating a brand name
 - Brand equity – to understand branding
 - Brand loyalty – to determine the six loyalty levels.
- To analyse and determine the brand loyalty levels of the visitors to the KKNK. Chapter 4 discusses the empirical survey of this study, with emphasis on the following:
 - The demographic results
 - The festival attendance
 - Descriptive statistics on loyalty towards the KKNK
 - Factor analysis was applied to determine the loyalty levels of the visitors to the KKNK. Responses were statistically compared with the demographic results to determine whether there were any correlations or associations.

Various conclusions can be made regarding the research objectives. The purpose of this chapter is to draw conclusions and make recommendations regarding improvement of brand loyalty to the KKNK.

Based on information that has been obtained the following conclusions have been drawn.

5.2 CONCLUSIONS

Conclusions are made with reference to:

- The review of tourism marketing and the role of branding in tourism (Research Objective 1)
- The review of brand loyalty (Research Objective 2)
- The survey focusing on the visitors' brand loyalty towards the KKNK (Research Objective 3)

5.2.1 Conclusions with regarding to the review of tourism marketing and the role of branding in tourism

The following conclusions can be drawn, based on the literature study, regarding Research Objective 1:

- When marketing a tourism product or service, it is important to keep in mind that it involves a complex bundle of value, which is intangible, inseparable, variable and perishable. Therefore the tourism product cannot be touched, picked up, examined or tested before-hand and at the end the consumer has nothing physical to take away. This means the tourist uses or experiences the product or service while it is being produced, and it cannot be stored for future sale (see 2.1).
- Brands create awareness, prominence, reputation, recognition, meaning and value to tourists. As tourist experience different brands they soon realize which brands provide quality and satisfy their needs better (see 2.1).
- Marketing should meet needs profitably. Human and social needs can be identified and met by marketing. Marketing can be defined as a social process and as an organisational function (see 2.2).
- In the tourism industry, every tourist counts and therefore it is important to know the needs and wants of tourists. When these are identified, it can be satisfied; this will ensure that the tourists will visit the festival again and probably become loyal to the festival (see 2.2).
- To understand marketing, it is necessary to know the history and evolution of marketing. Four eras of marketing are distinguished: the production-oriented era (founding the field of marketing), the sales-oriented era (formalising the field), the marketing era (the shift intensifies) and a fragmentation of the mainstream (see 2.3).
 - During the production era, organisations focused on a traditional economic theory, thus producing products and finding solutions for production problems. They were not

concerned with satisfying the customer's needs or providing service through distribution (see 2.3.1.1).

- Organisations later started to focus on advertising the products, which informed the customer about the product and the availability while sales representatives promoted the products by means of direct personal contact. As the consumer demand grew, the mass production capabilities required more complex and varied distribution systems as well as sophisticated tools (see 2.3.1.2).
 - When customers became financially in a better position to satisfy their needs, the competition of products increased and provided customers with a bigger variety of products to choose from. Therefore the marketing message, price, quality of the products, the packaging, convenience, distribution and marketing communications of the products became a necessity (see 2.3.1.3).
 - By the 1960s organisations realised that there were more to marketing than simply discovering and providing customers with products that they wanted and needed. For organisations to compete for customers, they would have to provide better value than competitors did (see 2.3.1.4)
- Marketing is important in any organisation and provides endless benefits to organisations and to the tourist (see 2.4).
 - A tourism product consist of three elements namely the physical or tangible element (buildings, food, vehicles); the service component although it should be kept in mind that tourism involves more than a service; and the everlasting experience (which is the result of tourism contribution). *Experience* is the most important element, but is dependent on the other two elements. Together with branding, it can help to develop products and portray a specific message about experiencing the product in advertising campaigns. Therefore tourism marketing can be defined as a process of creating, pricing, disseminating and promoting a quality product and experience based on needs or wants in order to attract tourists (see 2.5).

- To understand the tourist's behaviour and needs, one should go to great lengths to gain a better grasp of the tourist's behaviour during the purchasing process. The tourist's behaviour is defined as a mental and emotional process and the physical activities that tourists display in searching for, purchasing, using, evaluating and disposing of products or services that they expected to satisfy their needs. Satisfied tourists can become brand loyal tourists, which refers to the behaviour of repeat visits to or purchasing of a specific brand over a certain period of time as well as word of mouth recommendation (see 2.5.1).
- Marketing of supply consists of marketing research, market segmentation and the "four P's" (see 2.5.2).
 - Marketing research is a function which links the consumer and public to the marketer through information. Market research is systematically designed to collect, analyse, interpret and report information which can be used to: identify and define marketing opportunities and problems; generate, refine and evaluate marketing actions; monitor marketing performance and improve understanding of marketing as a process (see 2.5.2.1).
 - Market segmentation involves dividing or grouping tourists in the total market into identifiable smaller and more clearly defined groups or segments (homogeneous groups) that share similar needs, wants, characteristics, attitudes or behaviour. The resultant marketing strategies can address and target markets more effectively (see 2.5.2.2).
- The aim of marketing is to use resources such as people, money and material as effectively and efficiently as possible, in order to maximise profit and growth over a long period of time (see 2.5.3).
- Two approaches to marketing are identified, namely the traditional marketing mix and the hospitality marketing mix. The hospitality and tourism industry focus on the tourists' wants

and needs and markets the product-service or experience according to the mix. These marketing mix components can be seen as the tools of the marketers (see 2.5.4).

- The traditional marketing mix consists of four components known as the “four P’s”, product, price, place (distribution) and promotion. These four P’s can be used by the tourism organisation to control the planning and implementing of the marketing strategies to meet the marketing objectives (see 2.5.4.1).
- In the hospitality and tourism industry the four P’s are extended with more P’s, namely people, physical environment (physical evidence), processes, packaging, participation, product-service mix, presentation mix, communication mix (see 2.5.4.2).
- Two interrelated concepts underlie the term *positioning*. Firstly, it means to create a specific desired meaning for the brand and to have the meaning firmly lodged in the tourist’s memory (“positioned” in the tourist’s mind). Secondly, in the tourists’ memories the brand meaning must stand relative to what the tourist thinks and knows about the competitive brands in the product category (“positioned” against the competition). Thus, two interrelated actions are involved in positioning and positioning can therefore be explained as the activity that creates meaning for a brand in tourists’ minds relative to the feelings and thoughts they might have about competitive brands (see 2.6.1).
- Positioning cannot start without a sign (brand) for the product, because the brand is the stimulus for meaning and response. This means that branding is integrated in the positioning process from the first step, right through. Branding is dependent on positioning, to create a meaning for the tourists and establish a competitive place in the minds (memories) of the tourists (see 2.6.1.3).
- A brand helps the tourist to identify and differentiate a product or service from other product providers, by means of a name, sign, term, symbol, or design or a combination of these. It also provides an image, meaning, response and relationship to tourists, which can simplify their decision making process when they have to decide on a festival to visit. Therefore brands provide information, content, taste, durability, quality, price and

performance, without requiring the tourist to undertake a time-consuming comparison test against similar offerings (see 2.6.2).

5.2.2 Conclusions with regard to the review of brand loyalty

Regarding Research Objective 2, the following conclusions are made:

- Brand loyalty should be the main marketing goal of tourism products. Brand loyalty is an important component of brand equity because it reduces a brand's vulnerability to competitors' actions. A high level of brand loyalty will create a committed relationship and community to the brand (see 3.1).
- Traditionally, branding was used as a trademark by arts and craftsmen to protect themselves and their customers against inferior quality. For example, artists signed their art works. Branding in the modern world has different functions for organisations and customers (tourists), but it adds value to both parties, which makes branding important (see 3.2).
- Branding does not only simplify the decision-making process for the tourists but helps to build relationships and gain the loyalty of tourists, so that they will repeatedly purchase or visit the product (see 3.2.13).
- The brand acts as a cerebral switch which activates images in the buyer's collective minds. For this reason, most authors agree that creating the brand name is one of the most important tasks of the marketing manager. Processes and criteria for the creation of successful brand names were discussed. It is important that the brand name is memorable, meaningful and distinctive (see 3.3).
- Brand equity is a set of associations and behaviours on the part of a brand's customers, channel members and parent corporation that enables a brand to earn greater volume or greater margins than it could without the brand name and, in addition, provides a strong, sustainable and differential advantage. Brand equity helps to gain a better

understanding of the consumption decisions and determines how information is used (see 3.4).

- Organisation-based brand equity is the term that is used to represent brand performance and is measured by means of financial value (see 3.4.1).
- Customer-based brand equity can be defined as the added value of the product or service which may reflect the way consumers think, feel, and behave with respect to the brand, as well as the financial outcomes such as the market share and profitability for the organisation (see 3.4.2).
- Brand knowledge comprises thoughts, images, experiences, feelings and beliefs that may be associated with the brand. The key in creating customer-based brand equity is brand knowledge, because it creates a differential effect in the customer response that manifested in brand equity. Brand knowledge has two components: brand awareness and brand image (see 3.4.2).
 - Awareness represents the strength of the brand's presence in the mind of the target, with the goal not being to achieve general awareness, but to be remembered for the reasons intended. In other words, when the tourist thinks about purchasing a specific product, the first brand name that comes to mind and the ease with which the name is evoked will be related to brand awareness (see 3.4.2.1).
 - Brand image is the associations that are activated in the memory when the customers think about a particular brand. Associations can be formed on the basis of direct experience, word of mouth, assumptions or inferences customers make about the brand, its name, logo, or identification with an organisation, country, channel of distribution, or person, place or event (see 3.4.2.2).
- Image is important for building a destination's brand and has a great influence on customer loyalty (see 3.4.2.2).

- The goal is to achieve lifelong visiting behaviour among travellers rather than a cross-sectional perspective where one visit is completely unrelated to previous visits or experience (see 3.5).
- Attitudinal loyalty is the psychological commitment that is affective response and general attitude or association toward a certain brand. Tourist with a positive attitude towards a destination will still provide positive word-of-mouth about it, even if they do not visit the destination (see 3.5).
- Brand loyalty levels are salience, brand performance, brand imagery, brand judgments, brand feelings and brand resonance (see 3.6).
- The goal of brand salience is to achieve a high salient brand that has depth and breadth of brand awareness so that the customer always think about the brand and make sufficient purchases (see 3.6.1).
- Brand meaning is the thought and feelings that are evoked within a person when presented with a sign in a particular context. Meaning is not external but rather internal to an individual (see 3.6.2).
- A good experience with a product is the result of satisfied customers. Satisfaction can be an emotional response which is not only affected by the whole market, but also affected by products' characteristics, service and seller when purchasing products or it can be the state of recognising appropriate or inappropriate experience for the sacrifice (see 3.6.2.1).
- Brand image is how the customer thinks about the brand instead of what the brand actually does. There are four main intangibles that are linked to the brand, namely user profile, purchase and usage situations, personality and value (the brand's personality connects emotions to the customer and enhances loyalty) and history, heritage and experiences (see 3.6.2.2).

- Customers should see the brand as competitively superior and importantly, they must have an emotional connection to the brand (see 3.6.3).
- Customers create all types of judgments by putting the different brand imagery and performance associations together (see 3.6.3.1).
- The customers are making lifestyle statements and are trying to buy into an emotional relationship and not only an image. Emotions are the center of how customer experience life; it determines customer's value and ethics, influence judgments and give colour and meaning to the customer's life. What customers think about a brand is influenced by how they feel about the brand (see 3.6.3.2).
- The head and the heart can both drive customer responses but what matters is how positive these responses are (see 3.6.3.2).
- The final level of brand loyalty is reached when the customers know about the brand, know what it means to them and know how they feel about the brand. Loyal customers tend to spend more, resist switching to competitors' brands, are willing to pay premium prices for the brand and will recommend it to others. Resonance may be described as the nature of the relationship the customers have with the brand and the extent to which customer feel they can identify with the brand (see 3.6.4).

5.2.3 Conclusions with regard to the survey analysing visitors' level of loyalty toward the KKNK

Regarding Research Objective 3, the following conclusions can be drawn:

- In the survey that was administered in 2009, 54% of respondents were female and 46% were male (see 4.2.1).
- Most of the visitors were between the ages of 41 and 50 years of age (25%). The average age was 38 years (see 4.2.1).

- The KKNK is an Afrikaans festival which was supported by 94% of Afrikaans-speaking visitors (see 4.2.1).
- Fifty four percent of the visitors lived in the Western Cape, while 19% of the visitors lived in the Eastern Cape (see 4.2.1). Therefore most of the visitors were from the Western Cape, including 10% who lived in Oudtshoorn. The festival attracts neighbouring province and visitors from Gauteng (see 4.2.1).
- Of the respondents, 64% were married and 26% were single (see 4.2.1).
- Most of the visitors to the KKNK (20%) were in professional occupations; 14% were students; and 10% were self-employed (see 4.2.1).
- The respondents were well educated, with 36% who had a matric qualification and 34% who had a degree or diploma, and 14% who had a post-graduate qualification (see 4.2.1).
- The analysis of data indicated that 21% of the visitors to the KKNK attended the festival for the first time while only 6% of visitors had attended the festival every year for the past 15 years. Repeated visits indicated loyalty, although it is not the only factor in loyalty. It can be assumed that the relationship the visitors to the KKNK has an intensity dimension, which measures attitudinal attachment and sense of community. In other words, visitors do not have to visit the festival every year or regularly to be loyal towards the KKNK (see 4.2.2).
- It was determined by the analysis of data that the first word that comes to mind when visitors to the KKNK thought about the festival, is music (12%), followed by Afrikaans (11%) and festival (11%). Third teen percent of the visitors to the KKNK also attended the Aardklop National Arts Festival in Potchefstroom and 5% attended the Grahamstown National Arts Festival in Grahamstown (see 4.2.2).

- The descriptive statistics confirmed that the visitors mostly associated the festival with feelings of fun (89%), excitement (87%) and warmth (85%). This means that loyalty level 5, Feelings, rated the highest among all the loyalty levels, and therefore had the most influence on the visitors' loyalty towards the KKNK. Literature confirms that feelings and emotions play an important role at each loyalty level, and therefore it is determined that the Feelings factor is the most important and influential aspect of loyalty (see 4.2.3.1).
- The factor analysis determined that factor one, Brand Salience, rated the lowest, with a mean value of 3.56. This might be because the visitors have moved up the loyalty ladder and past the first level of loyalty. They might have a stronger brand meaning, which implies that the first level of loyalty no longer play an important role at the current loyalty levels (other factors) (see 4.2.3.2).
- Factor five, Brand Feelings, rated the highest, with a mean value of 4.35. In this study it is therefore determined that visitors' loyalty for the KKNK is currently at the fifth loyalty level, Feelings. This loyalty level will have the most influence on the visitors' loyalty and therefore is the most important factor to keep in mind when creating a marketing campaign for the KKNK. It is also determined that feelings and emotions play an important role at each loyalty level and that feelings and emotions are required to reach the top of the loyalty ladder, Resonance. Factor three, Imagery, was rated the second highest and factor two, Performance, the third highest. These three factors are therefore important, but interdependent. They have the most influence on visitors' loyalty toward the KKNK, because they create brand meaning and brand response, which are important in destination brand loyalty (see 4.2.3.2).
- The correlations between all the factors were determined by Spearman's rank order. The correlations were of large practical significance and statistically significant at a 1% level of significance. Therefore a strong correlation is determined between the loyalty levels (factors), which indicate that the loyalty levels are related and depended on each other. It can be concluded that there is a brand loyalty process where one loyalty level leads to a next loyalty level, until the brand reaches the top (see 4.2.3.3).

- Associations were determined between the loyalty levels and demographic information (user profile) that included education, age, gender, language, marital status and province of residence by means of ANOVA, Spearman Correlations and t-test (see 4.3).
- By means of ANOVA it was determined that there was a significant difference between education and feelings: visitors with a matric qualification had stronger feelings towards the festival and were more influenced by feelings. According to this, visitors with a matric qualification are more loyal towards the festival. This segment is also the young and potential future market (see 4.3.1).
- Spearman's rho correlation found a small correlation between age and Brand Salience (factor one), which suggested that the older the respondent, the more important Salience (see 4.3.2).
- An independent sample t-test was conducted to determine whether males or females were more loyal toward the KKNK. No significant differences were found between the scores for males and females (see 4.3.3).
- An independent sample t-test was performed to determine whether there was a significant difference between the scores for Afrikaans-speaking and English-speaking visitors. A significant difference was found between the two language groups with regard to Salience. Afrikaans-speaking respondents ($m = 3.29$) considered Salience (factor 1) more important than English-speaking respondents ($m = 2.87$) (see 4.3.4).
- An independent samples t-test found significant differences between the loyalty levels of groups with different marital status. The married respondents ($m = 3.36, 3.93, 3.94 \& 3.98$) considered loyalty level one and four ($p = 0.001, 0.001, 0.005 \& 0.018$) more important than single visitors ($m = 3.03, 3.70, 3.44 \& 3.82$) (see 3.4.5).
- An independent sample t-test found no significant differences between the scores for residence in the Western Cape and residence in other provinces regarding loyalty level 1, 2, 4 and 6. Regarding loyalty levels 3 and 5, respondents from other provinces ($m =$

3.96 & m = 4.06) considered Imagery (p = .018) and Feelings (p = .016) more important than respondents from the Western Cape (see 4.3.6).

5.3 RECOMMENDATIONS

Recommendations regarding the loyalty levels towards the KKNK as well as recommendations regarding further research will be made in the next section.

5.3.1 Recommendations regarding the loyalty levels towards the KKNK

- Festivals and events are the fastest growing segment of the tourism industry and in South Africa there is about 40 festivals throughout the year, therefore the competition for visitors is increasing. If the KKNK wants to stay sustainable it is recommended that the KKNK needs to determine how loyal its visitors are towards the festival, how often they visit the festival and if their loyalty is growing towards Resonance, the highest level of brand loyalty; or whether the festival is losing loyal visitors. Brand loyalty reduces a brand's vulnerability to the actions of other festivals' and it creates a committed relationship and community to the brand.
- The marketers of the KKNK arts festival should promote and focus on the experience element of the festival, because experiences is everlasting and it influences the emotions and feelings of the tourist during the purchasing or usage process. It was determined during the factor analysis that feelings are the most important factor that the KKNK should consider when developing a marketing campaign. The marketing campaign should activate positive feelings or memories of the KKNK by means of using emotional appeal. This will triggers memories and feelings which will remind the visitors how they felt when they attended the festival which could encourage them to visit it again or to recommend it to others. Potential visitors will also be attracted because it triggers feelings of fun, excitement and warmth which may motivate them to attend the festival.
- It is determined that Keller's (2008:60) (see 3.6) six sub-dimensions of brand building blocks, which were used in this study as the brand loyalty levels, are inter-dependent and

inter-related. This means that in the brand loyalty process, the brand starts at the first level of loyalty and continues to grow until it reaches the top. This study also indicated that this process can be applied to the tourism industry to determine how loyal tourists are towards a tourism brand and what the tourism brand can do to improve tourists' loyalty.

- Other loyalty levels that also rated high in this study were Performance and Image (see 4.2.3.2). These loyalty levels create a brand meaning of the KKNK for the visitors. Currently the festival has high scores for these factors, which has a positive influence on loyalty. Therefore the organisers of the KKNK should ensure that the services, products, productions and shows are of good quality and the performance is excellent, to ensure a positive brand meaning for the visitors which will also influence their experience and feelings towards the KKNK.
- This study has found that the next loyalty level the KKNK should strive to achieve, is Resonance, Sense of Community. This can be achieved by means of creating a feeling of belonging and a sense of mattering; by integrating and fulfilling members' needs so that they feel their needs will be met in the group membership of KKNK visitors; and by focusing on shared emotional connections so that members will share history, common places, time together and similar experience (see 3.6.4). It should also be kept in mind that the brand performance and image should not decrease and that visitor' positive feelings should be retained while the KKNK strives to achieve brand resonance. If the brand performance and image are influenced negatively, this will have a negative influence on the visitors' feelings, which will result in loss of brand loyalty.

5.3.2 Recommendations regarding further research

- Research on branding, customer-based brand equity and loyalty in the tourism and hospitality industry is limited, especially in South Africa. Therefore more research should be done regarding destination branding and loyalty to ensure the sustainability of tourism in South Africa.

- The KKNK organisers should conduct a follow-up survey and research regarding its loyalty levels and should compare it with the findings in this study to determine whether visitors' loyalty towards the brand has increased or decreased. This can identify areas where the festival can improve and increase its brand loyalty and build a loyal relationship with their visitors. Ultimately, this will ensure the sustainability of the festival and an increased revenue.
- In future studies, more focus should be placed on Resonance, to determine on which aspects KKNK should improve and where its organisers should focus on to achieve the highest level of brand loyalty.
- Other festivals should also research their brand loyalty according to the six loyalty levels, so that further research studies can be conducted to determine and compare visitors' loyalty and to identify aspects and factors that are important in achieving the loyalty levels.
- Keller's (2008:60) six sub-dimensions of brand building blocks, known as the loyalty levels, can also be used and tested in other tourism products to determine whether it can be applied to other tourism products and not only festivals.
- There is a shortage of literature regarding tourism brand loyalty and more research should be done regarding attitudinal and behavioural loyalty within the tourism industry, to determine which one affects the tourism industry more. This can help to understand tourists' loyalty and determine if loyalty is based on return visits or word-of-mouth recommendations.
- The questionnaire that was used for this study may be redesigned to encourage respondents to give an honest and accurate response and are not only concerned with completing the questionnaire as quickly as possible.

- During further research the user profile should be kept in mind because it can affect the loyalty levels. For example, age and gender difference can affect loyalty levels towards brand.
- More focus should be placed on the power that feelings and experience have on the tourist's decision making process and on the loyalty towards tourism products.

REFERENCES

AAKER, D.A. 2008. Strategic market management. 8th ed. Hoboken: John Wiley & Sons, Inc. 322 p.

ANON. 2008. KKNK [WEB:]

http://www.oudtmun.gov.za/index.php?option=com_content&task=view&id=34&Itemid=94

Date of access: 15 Feb. 2009.

ANON. 2009. KKNK [WEB:] <http://www.oudtshoorninfo.com/culture.php> Date of access:

15 Feb. 2009.

ANON. 2011a. National Arts Festival. National Arts Festival growth trend continues [WEB:]

<http://www.nationalartsfestival.co.za/news/story/national-arts-festival-growth-trend-continues>

Date of access: 27 Oct 2011.

ANON. 2011b. South Africa Places. Arts Festivals [WEB:]

<http://www.places.co.za/html/artsfestivals.html> Date of access: 27 Oct 2011.

ANON. 2011c. SOUTH AFRICAN GOVERNMENT INFORMATION. The Department of promotion of Tourism in South Africa [WEB:]

<http://www.info.gov.za/whitepapers/1996/tourism.htm> Date of access: 17 Aug 2011.

ANON. 2011d. South Africa Festival Dates [WEB:]

<http://www.stayinsa.co.za/southafrica/southafricafestivals.html> Date of access: 27 Oct.

2011.

ANON, 2012. KKNK [WEB:]

http://www.kknk.co.za/oor_die_kknk.php?page=cp_company_profile Date of access: 27

Feb. 2012

BATEY, M. 2008. Brand Meaning. New York: Taylor & Francis Group. 257 p.

- BOO, S., BUSSER, J. & BALOGLU, S. 2009. A model of customer-based brand equity and its application to multiple destinations. *Tourism Management*, 30:219-231.
- BOWIE, D. & BUTTLE, F. 2004. Hospitality marketing: an introduction. Burlington: Elsevier. 350 p.
- BURKE, J. & RESNICK, B. 2000. Marketing and selling the Travel Product. 2nd ed. New York: Thomson Learning. 302 p.
- CHAUDHURI, A. & HOLBROOK, M.B. 2001. The Chain of Effects from Brand Trust and Brand Affect to Brand Performance: The Role of Brand Loyalty. *Journal of Marketing*, 65:81-93, Apr.
- CHRISTODOULIDES, G. & DE CHERNATONY, L. 2010. Consumer-based brand equity conceptualisation and measurement: A literature review. *International Journal of Market Research*, 52(1):43-66.
- COOPER, D.R & SCHINDLER, P.S. 2011. Business Research Methods. New York: McGraw-Hill, Inc. 761 p.
- DAS, S., STENGER, C. & ELLIS, C.H. 2009. Managing tomorrow's brands: Moving from measurement towards an integrated system of brand equity. *Brand Management*, 17(1):26-38.
- DE CHERNATONY, L. 2006. From Brand Vision to Brand Evaluation: The strategic process of growing and strengthening brands. 2nd ed. Burlington: Elsevier. 318 p.
- DE CHERNATONY, L. & MCDONALD, M. 2003. Creating powerful brands. 3rd ed. Burlington: Elsevier. 467 p.
- FRENCH, A. & SMITH, G. 2010. Measuring political brand equity: a consumer oriented approach. *European Journal of Marketing*, 44(3):460-477.

GEORGE, R. 2008. *Marketing Tourism in South Africa*. 3rd ed. Cape Town: Oxford University Press Southern Africa (Pty) Ltd. 496 p.

GREWAL, D. & LEVY, M. 2008. *Marketing*. New York: The McGraw-Hill Companies, Inc. 536 p.

GURSOY, D., JUROWSKI, C. & UYSAL, M. 2001. Residents attitudes: a structural modeling approach. *Annals of tourism research*, 29(1):79-105.

HOLEHONNUR, A., RAYMOND, M.A., HOPKINS, C.D. & FINE, A.C. 2009. Examining the customer equity framework from a consumer perspective. *Brand Management*, 17(3):165-180.

HOLLOWAY, J.C. 2004. *Marketing for Tourism*. 4th ed. Harlow: Pearson Education Limited. 510 p.

HOMBURG, C., KUESTER, S. & KROHMER, H. 2009. *Marketing Management: A Contemporary Perspective*. New York: McGraw-Hill Higher Education Limited. 642 p.

HORNER, S. & SWARBROOKE, J. 1996. *Marketing Tourism Hospitality and Leisure in Europe*. London: International Thomson Business Press. 702 p.

HORNER, S & SWARBROOKE, J. 2005. *Leisure marketing: a global perspective*. Burlington: Elsevier Butterworth-Heinemann. 412 p.

HUANG, J.Z., LI, M. & CAI, L.A. 2010. A model of community-based festival image. *International Journal of Hospitality Management*, 29:254-260.

JONES, D.G.B. & RECHARDSON, A.J. 2007. The Myth of the Marketing Revolution. *Journal of Macromarketing*, 27(1):15-24, Mar.

JONKER, E., SAAYMAN, M. & DE KLERK, S. 2009. The role and attributes of entrepreneurs as South Africa's largest arts festival. *Journal of Tourism and Cultural Heritage*, 7(3):381-392.

KAPFERER, J.N. 2008. The new strategic brand management: Creating and sustaining brand equity long term. 4thed. London: Kogan Page Limited. 560 p.

KELLER, K.L. 2008. Strategic Brand Management: Building, Measuring, and Managing Brand Equity. 3rd ed. New Jersey: Pearson Prentice Hall. 692 p.

KELLER, K.L. & LEHMANN, D.R. 2009. Assessing long-term brand potential. *Brand Management*, 17(1):6-17.

KIM, K.H., KIM, K.S., KIM, D.Y, KIM, J.H. & KANG, S.H. 2008. Brand equity in hospital marketing. *Journal of Business Research*, 61:75-82.

KOLLMANN, T. & SUCKOW, C. 2007. The Corporate brand naming process in the net economy. *Qualitative Market research: An International Journal*, 10(4):349-361.

KOTLER, P & KELLER, K.L. 2009. Marketing Management. 13th ed. London: Pearson Prentice Hall. 816 p.

KREJCIE, R.V. & MORGAN, D.W. 1970. Determining sample size for research activities. *Educational and Psychological Measurement*, 30:607-610.

LAW, E. 2002. Tourism Marketing: Quality and Service Management Perspectives. London: Continuum. 243 p.

LEHMANN, D.R. & WINER, R.S. 2008. Analysis for Marketing Planning. 7th ed. New York: McGraw-Hill/Irwin. 299 p.

LEVY, S.E. & HASSAY, D.N. 2005. Visitor Communities. *Journal of Hospitality & Leisure Marketing*, 12(4):57-68.

LI, X.R., PETRICK, J.F., ZHOU, Y.N. 2008. Towards a Conceptual Framework of Tourists' Destination Knowledge and Loyalty. *Journal of Quality Assurance in Hospitality & Tourism*, 8(3):79-95.

LIN, C., WU, W. & WANG, Z. 2000. A study of market structure: brand loyalty and brand switching behaviours for durable household appliances. *International Journal of Market Research*, 42(3):277-300.

LOWREY, T.M., SHRUM, L.J. & DUBITSKY, T.M. 2003. The Relation Between Brand-Name Linguistic Characteristics and Brand-Name Memory. *Journal of Advertising*, 32(3):7-17, Fall.

MACCABE, S. 2009. Marketing Communications in Tourism and Hospitality: Concepts, strategies and cases. Oxford: Elsevier Butterworth-Heinemann. 300 p.

MCDANIEL, C. & GATES, R. 2010. Marketing research with SPSS. 8th ed. New Jersey: John Wiley & Sons Inc. 693p.

MORGAN, N. & PRITCHARD, A. 2001. Advertising in tourism and leisure. Oxford: Elsevier Butterworth-Heinemann. 345 p.

MORGAN, N, PRITCHARD, A & PRIDE, R. 2002. Destination Branding: Creating the unique destination proposition. Oxford: Elsevier Butterworth-Heinemann. 204p.

MORRISON, A.M. 2010. Hospitality and Traveling Marketing. 4th ed. New York: Delmar Cengage Learning. 786 p.

MUNIZ, A.M. & O'GUINN, T.C. 2001. Brand Community. *Journal of Consumer Research*, 27:412-432, Mar.

OAKENFULL, G.K. & MCCARTHY, M.S. 2010. Examining the relationship between brand usage and brand knowledge structures. *Journal of Brand Management*, 17(4):279-288.

OBST, P.L. & WHITE, K.M. 2007. Choosing to belong: The influence of choice on social identification and psychological sense of community. *Journal of Community Psychology*, 35(1):77-90.

O'GUINN, T.C., ALLEN, C.T. & SEMENIK, R.J. 2009. Advertising & Integrated Brand Promotion. 5th ed. Mason: South-Western Cengage Learning. 726p.

OPPERMAN, M. 2000. Tourism Destination Loyalty. *Journal of Travel Research*, 39:78-84.

PIKE, S. 2004. Destination Marketing Organisation. Amsterdam: Elsevier. 240 p.

PIKE, S. 2007. Consumer-Based Brand Equity for Destinations: Practical DMO Performance Measures. *Journal of Travel & Tourism Marketing*, 22(1):51-61.

PIKE, S. 2008. Destination marketing: An integrated marketing communication approach. Oxford: Elsevier Butterworth-Heinemann. 406 p.

PIKE, S. 2010. Destination Branding Case Study: Tracking brand equity for an emerging destination between 2003 and 2007. *Journal of Hospitality & Tourism Research*, 34(1):124-139, Feb.

PRIDE, W.M. & FERRELL, O.C. 2010. Marketing. 15th ed. Mason: South-Western Cengage Learning. 605 p.

PONDER, N. & BARNES, C. 2004. The underlying dimensions of brands and their contribution to customer value: An exploratory examination. *Marketing Management Journal*, 14(2):24-35, Fall.

REID, R.D. & BOJANIC D.C. 2001. Hospitality marketing management. 3rd ed. New York: John Wiley & Sons, Inc. 432 p.

RIESENBBECK, H. & PERREY, J. 2007. Power Brands: Measuring, Making, Managing, Brand success. Weinheim: Wiley-VCH. 274 p.

ROSENBAUM, M.S., OSTROM, A.L. & KUNTZE, R. 2005. Loyalty programs and a sense of community. *Journal of Services Marketing*, 19(4):222-233.

SAAYMAN, M. 2000. En Route with Tourism. 2nd ed. Potchefstroom: The institute of Tourism and leisure studies. 330 p.

SAAYMAN, M., SLABBERT, E., STEYNBERG, L., UYS, C., VAN DER MERWE, P. & SWART, S. 2002. Hospitality, Leisure and Tourism management. Potchefstroom: The institute of Tourism and leisure studies. 509 p.

SAAYMAN, M. 2004. An introduction to sports tourism and event management. 2nd ed. Potchefstroom: The institute of Tourism and leisure studies. 350 p.

SAAYMAN, M & SAAYMAN, A. 2004. Economic impact of culture events. *South African Journal of Economics and Management Sciences*, 7(4):629-641.

SAYRE, S. 2008. Entertainment marketing and communication: selling branded performance, people, and places. New Jersey: Pearson Prentice Hall. 489 p.

SCHEMBRI, S. 2008. Reframing brand experience: The experiential meaning of Harley-Davidson. *Journal of Business Research*: 1-12, 1 Nov.

SEATON, A.V. & BENNETT, M.M. 1996. Marketing tourism products: Concepts, Issues, Cases. London: International Thomson Press. 540 p.

SHELDON, P. & ABENOJA, T. 2001. Resident attitudes in a mature destination: the case of Waikiki. *Tourism management*, 22(5):435-443.

SHIMP, T.A. 2010. Advertising, Promotion, and other aspects of Integrated Marketing Communications. Mason: South-Western Cengage Learning. 668 p.

SLABBERT, E. & SAAYMAN, M. 2008. Marketing in the tourism hospitality and leisure industry. (In Saayman, M., ed. 2008 Leisure, Tourism and Hospitality Management. Potchefstroom: Institute for Tourism and Leisure Studies.) ISBN: 1-86822-396-5.

SNOWBALL, J.D. 2004. Interpreting economic impact study results: spending patterns, visitors numbers and festival aims. *South Africa Journal of Economics*, 72(5):1075-1083.

STORY, J. & HESS, J. 2006. Segmenting customer-brand relations: beyond the personal relationship metaphor. *Journal of Consumer Marketing*, 23(7):406-413.

STRYDOM, J. 2004. Marketing: Introduction to marketing. 3rd ed. Cape Town: Juta and Co. Ltd. 330 p.

SWEENEY, J. & SWAIT, J. 2008. The effects of brand credibility on customer loyalty. *Journal of Retailing and Consumer Services*, 15:179-193.

TEMPORAL, P. 2002. Advanced Brand Management: From vision to valuation. Singapore: John Wiley & Sons Pte Ltd. 296 p.

VAN ZYL, C. 2005. Optimum market-positioning models for South-African arts festivals scenarios. University of South Africa. (Theses – D.Com).

VEAL, A.J. 2006. Research methods for leisure and tourism: A practical guide. 3rd ed. London: Pearson Prentice Hall. 421 p.

WANG, H., WEI, Y. & YU, C. 2008. Global brand equity model: combining customer-based with product-market outcome approaches. *Journal of Product & Brand Management*, 17(5):305-316.

WEITZ, B. & WENSLEY, R. 2006. Handbook of Marketing. London: SAGE Publications Ltd. 582 p.

WHEELER, A. 2006. Designing Brand Identity. 2nd ed. New Jersey: John Wiley & Sons, Inc. 280 p.

WILKIE, W.L. & MOORE, E.S. 2003. Scholarly Research in Marketing: Exploring the “4 Eras” of Thought development. *Journal of Public Policy & Marketing*, 22(2):116-146, Fall.

WILKIE, W.L. & MOORE, E.S. 2006. Macromarketing as a Pillar of Marketing Thought. *Journal of Macromarketing*, 26(2):224-232, Dec.

WOOD, M.B. 2004. Marketing planning: principles into practice. Harlow: Pearson Education Limited. 367 p.

WORTHINGTON, S., RUSSELL-BENNETT, R. & HÄRTEL, C. 2010. A tri-dimensional approach for auditing brand loyalty. *Brand Management*, 17(4):243-253.

Appendix 1

BRANDING OF KKNK FESTIVAL 2009 SECTION A: DEMOGRAPHIC INFORMATION

1. Gender?

Male	1
Female	2

2. In which year were you born? 19

3. Home language?

English	1
Afrikaans	2
Other (Specify):	3

4. In which town or city do you live?

5. Marital Status:

Married	1
Divorced	2
Single	3
Widow/er	4
Living together	5

6. Occupation?

Professional	1
Management	2
Self-employed	3
Technical	4
Sales	5
Mining	6
Administrative	7
Civil service	8
Education	9
Housewife	10
Pensioner	11
Student	12
Artist	13
Unemployed	14
Other (Specify):	15

7. Please indicate your highest level of education:

No schooling	1
Matric	2
Diploma, Degree	3
Postgraduate	4
Professional	5
Other (Specify)	6

8. Province of residence?

Western Cape	1
Gauteng	2
Eastern Cape	3
Free State	4
North West	5
Mpumalanga	6
Northern Cape	7
KwaZulu-Natal	8
Limpopo	9
Outside RSA borders	10

9. How many years (including this year) have you previously attended ABSA KKNK? (KKNK is 13 years old)

Number: _____

10. What is the first word that comes to mind when you hear the concept ABSA KKNK?

11. Which other arts festivals do you attend?

a. _____

b. _____

c. _____

SECTION B: BRAND LOYALTY

12. To what extent do you agree or disagree with the following statements:

	TOTALLY DISAGREE	DO NOT AGREE	NEUTRAL	AGREE	TOTALLY AGREE
I frequently think of KKNK	1	2	3	4	5
I frequently read about the festival	1	2	3	4	5
I tend to keep up to date with festival happenings	1	2	3	4	5
KKNK delivers excellent service compared to other festivals	1	2	3	4	5
KKNK satisfies my needs better than other festivals	1	2	3	4	5
KKNK has unique features compared to other festivals	1	2	3	4	5
Information concerning the festival is reliable	1	2	3	4	5
KKNK is a sustainable festival	1	2	3	4	5
KKNK delivers effective service	1	2	3	4	5
Where problems occur, the festival staff solve them effectively	1	2	3	4	5
The staff at the festival are courteous and helpful	1	2	3	4	5
The logo of KKNK is stylish	1	2	3	4	5
I like the look and feel of the image of KKNK	1	2	3	4	5
Prices at KKNK compare well with other festivals	1	2	3	4	5
People admire and respect the festival	1	2	3	4	5
I associate myself with other visitors	1	2	3	4	5
The image of KKNK is down-to-earth	1	2	3	4	5
The image of KKNK is honest	1	2	3	4	5
The image of KKNK is reliable	1	2	3	4	5
The image of KKNK is successful	1	2	3	4	5
The image of KKNK is creative	1	2	3	4	5
The image of KKNK is exclusive	1	2	3	4	5
My images of KKNK are positive	1	2	3	4	5
It is important for me to attend the festival	1	2	3	4	5
I tell other people of my experiences at the festival	1	2	3	4	5
KKNK delivers a quality product	1	2	3	4	5
KKNK is associated with quality productions	1	2	3	4	5
This festival adheres to my needs	1	2	3	4	5
I get value for money when attending the festival	1	2	3	4	5
The festival staff are innovative	1	2	3	4	5
The festival staff are reliable	1	2	3	4	5
The festival staff understand the needs of visitors	1	2	3	4	5
The festival staff care about the opinion of visitors	1	2	3	4	5
The festival staff develop the festival with the visitor in mind	1	2	3	4	5
I encourage people to attend the festival	1	2	3	4	5
I enjoy attending the paid shows	1	2	3	4	5
I enjoy attending the free shows	1	2	3	4	5
It is important for me to attend the festival every year	1	2	3	4	5

SECTION B: BRAND LOYALTY (continued)

	TOTALLY DISAGREE	DO NOT AGREE	NEUTRAL	AGREE	TOTALLY AGREE
The festival creates a feeling of warmth	1	2	3	4	5
The festival creates a feeling of fun	1	2	3	4	5
The festival creates a feeling of excitement	1	2	3	4	5
The festival creates a feeling of security	1	2	3	4	5
The festival creates a feeling of social approval	1	2	3	4	5
The festival creates a feeling of self-respect	1	2	3	4	5
I consider myself loyal to the festival	1	2	3	4	5
I visit the festival regularly	1	2	3	4	5
I support the festival in general	1	2	3	4	5
This is the only festival of its kind that I attend	1	2	3	4	5
I prefer to attend this festival	1	2	3	4	5
If this festival no longer exists, I will attend a similar one	1	2	3	4	5
This festival is part of my lifestyle and culture	1	2	3	4	5
I really identify with other visitors	1	2	3	4	5
We are all part of the festival community in South Africa	1	2	3	4	5
I enjoy talking about the festival	1	2	3	4	5
I cannot wait to see next year's programme	1	2	3	4	5
I am interested in buying memorabilia of the festival	1	2	3	4	5
I am proud to have others know I attend this festival	1	2	3	4	5
I like to visit the KKNK website	1	2	3	4	5
I am always interested in news concerning the festival	1	2	3	4	5

SECTION C: OWN OPINION

13. What is your overall opinion of ABSA KKNK?

14. Any other comments or suggestions?
