The image of Iceland

Actual summer visitors image of Iceland as a travel destination

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Summary

The image of tourist destinations is important, because it influences both the decisions tourists make about what destination to visit and the level of satisfaction tourists have, based on the actual experience at the destination. At the international level, destinations often compete on nothing more than the image held in the minds of potential travelers. Therefore, marketers of tourist destinations spend money, time and effort to create the right favorable image to guide prospective travelers in their decision to visit or re-visit their destinations.

The goal of this research was to investigate the image actual travelers in Iceland during the summer months have of the country as a tourist destination. The goal was also to examine if Iceland, the Faroe Islands and Greenland can be positioned together in tourist markets as one area, since it has been established that areas that pool their resource can have more marketing power if they cooperate than if they use resources separately.

Two surveys were constructed and administered. The first survey (unstructured) measured the holistic image of Iceland. The results from this survey were coded with a qualitative methodology. The second survey (structured) measured the attribute image of Iceland in comparison with five other countries, Norway, Scotland, Greenland, Finland and the Faroe Islands. The results from the second survey were put into a statistical program and analyzed with perceptual maps.

Results from the unstructured survey indicate that travelers have the strongest holistic image of Iceland as a scenic nature destination. Results from the structured survey indicate that the image tourist in general have of Iceland as a tourist destination is a country that is a safe place to visit, offers opportunity for adventure, is friendly and hospitable and possesses scenic and natural beauty. Results also indicate that people have a strong and clear image of Iceland. Image differences were recognized between nationalities and age groups, between first time and repeat visitors and differences depending on how long people had stayed in Iceland during their vacation. According to the results, Norway seems to be the main competitor of Iceland as a tourist destination and Iceland, Greenland and the Faroe Islands seem to have different image in the minds of tourists visiting Iceland.

The main limitation of the research is that a convenience sample was used in both surveys, but apart from that, the results should give indications about the image Iceland has in the minds of tourists visiting Iceland during summer months.

Foreword

This master's thesis is the final project of the author in Marketing and International business in the Faculty of Economics and Business Administration at the University of Iceland. The research and the thesis were made in the summer of 2008.

The scope of the thesis is 30 ETC units.

The author´s instructor was Thorhallur Gudlaugsson, Accosiate professor.

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1 Introduction

Increased internationalization in the past decades has led to increased competition (Friedman, 2006). Accordingly, it has become necessary for organizations and nations to create a competitive advantage to be able to compete successfully for access to markets, materials and people (Anholt, 2003; Hooley, Saunders and Piercy, 1998; Porter, 1998). The image of organizations and nations and how it is communicated at the national and international level is important for the sustainability of this competitive advantage (Anholt, 2003; Ries and Trout, 2001).

In November 2007 the Icelandic Prime Minister´s Office assembled a committee to analyze the image of Iceland and come up with solutions regarding how it would be possible to strengthen the image internationally. The committee handed in a report with its proposals in March 2008. In this report, called "The image of Iceland – strength, status and policy", it states that the image of Iceland is mainly important in three areas. Namely, the image of Iceland as an investment alternative for foreign organizations, as a tourist destination for foreign travelers and for Icelandic goods and services that are exported (Prime Minister´s Office, 2008). In light of interest and the importance of the image of Iceland abroad the author found it a practical research subject for a master´s thesis. Out of these three areas mentioned, it was decided to focus the research on the image of Iceland as a travel destination for foreign travelers.

The image of tourist destinations is important, because it influences both the decision making behavior of potential tourists (Jenkins, 1999) and the level of satisfaction tourists have, based on the actual experience at the destination (Chon, 1990). The image in the minds of potential travelers is so important in the destination selection process that it can affect the viability of the destination (Hunt, 1975). At the international level, destinations often compete on nothing more than the image held in the minds of potential travelers. Therefore, marketers of tourist destinations spend money, time and effort to create the right favorable image to guide prospective travelers in their decision to visit or re-visit their destinations. In the internationally competitive environment of today's tourism industry, marketers and developers of destinations should have a good understanding of travelers image of their destination, as well as an understanding of the image travelers hold of competing destinations (Baloglu and McCleary, 1999). Developing a competitive position for a destination among other tourism destinations in the minds of tourists is usually accomplished by creating and communicating a favorable image to potential tourists in target markets (Calantone,

Benedetto, Hakam and Bojanic, 1989; Gartner, 1993). A major objective of any destination positioning strategy will be to reinforce a positive image already held by a target market, correct a negative image, or create a new image (Pike and Ryan, 2004).

The image of cities, states and countries as travel destinations has been researched all around the world for the past thirty years (Pike, 2002; Tasci, Gartner and Cavusgil, 2007). There have been few research conducted to study the image of Iceland as a travel destination (Prime Minister´s Office, 2008). The Icelandic Tourist Board (Ferðamálastofa) has conducted some surveys about travelers´ attitudes concerning their stay in the country (Icelandic Tourist Board, 2004a,b). They have also conducted an image research in Germany, Britain, France, Sweden and on the east coast of USA about the effects of whaling on the image of Iceland as a travel destination (Prime Minister´s Office, 2008). The project "Iceland Naturally", which is designed to promote Iceland as a travel destination among other things, has conducted some image research in the USA market since 1999 (Gudjonsson, 2005). These results will be mentioned later in the thesis. There have also been student graduate projects, which have studied the image of Iceland as a tourist destination (Prime Minister´s Office, 2008).

The goal of this research is to investigate the image actual travelers in Iceland during the summer months have of the country as a tourist destination. The goal is also to examine if Iceland, the Faroe Islands and Greenland can be positioned together in tourist markets as one area. The reason behind this goal is that it has been established that areas that pool their resources can have more marketing power if they cooperate than if they use resources separately (Buhalis, 2000; Cai, 2002; Haathi and Yavas, 1983). Since these countries are geographically close to each other and are working together in trying to strengthen and coordinate their tourism planning, for example through the North Atlantic Tourism Association agreement (NATA), (Icelandic Tourist Board, 2008a; Ministry of industry, energy and tourism, 2008), this was considered an interesting goal.

To accomplish these goals, both an unstructured survey and a structured (quantitative) survey will be created and administered to tourists. In the quantitative survey, Iceland will be compared to five other travel destinations, Norway, Scotland, the Faroe Islands, Finland and Greenland. The reason for choosing the countries will be discussed later in the thesis. The result of this research will hopefully shed some light on the image of Iceland as a travel destination. The research questions are:

1) What is the image of Iceland in the minds of foreign travelers?
2) What is Iceland´s leading competitor among the countries that it was compared to?

3) Is it possible to position Iceland, the Faroe Islands and Greenland as one travel destination?

This thesis will start, in chapter two, with a discussion of destinations and what they comprise. The chapter will also examine what destinations can do to be more competitive. A part of their competitiveness is to use the STP approach to marketing. This approach will be explained.

Chapter three will examine the image concept in relation to psychology as well as products, companies and countries. This chapter will show that since products, companies and countries can have image, so can destinations.

In chapter four, the destination image concept will be examined in detail. The chapter will start with a discussion of the components of destination image. Followed by sections about how image is formed and what process tourists go through when they choose a destination. After that, information about earlier destination image research will be laid out, followed by a section about the connection between image and other variables and a description about how to measure destination image.

Chapter five will focus on branding and its relation to image. To start with, some general information about the branding concept will be given. Then branding will be examined in relation to countries and destinations. The chapter will end with some practical issues destinations should consider in the branding process.

In chapter six, some information about Iceland as a tourist destination will be described. First, the reason for the selection of the comparison countries will be given. Then information on Iceland´s biggest tourist generating countries will be showed. Finally, the report about the image of Iceland issued by the Prime Minister´s Office will be discussed along with other secondary data about Iceland´s image.

Chapter seven will describe the research method. First, the unstructured and structured measurements used in the research will be described and how their scales were constructed. Then the surveys implementation will be described and, finally, participant statistics will be analyzed.

In chapter eight, the results from the surveys will be put forth and examined. The chapter will start by looking at the unstructured survey and then show the results from the structured survey.

Chapter nine will discuss the findings, come up with some positioning ideas, discuss the surveys' shortcomings and propose some future research topics.

2   Destinations and their competitiveness

The term destination has been applied to a country, a region within a country, a city and a resort (Buhalis, 2000; Lumsdon, 1997). However, it is increasingly recognized that a destination can also be a perceptual concept, interpreted subjectively by travelers depending on their cultural background, purpose of visit, educational level and past experience. A tourist from Europe may look at another country within Europe as his destination while a Japanese tourist visiting six countries in Europe in two weeks, may consider Europe as destination (Buhalis, 2000). In this chapter, the concept destination will be analyzed and discussed how destinations can be competitive in the marketplace.

2.1   Destinations as products

The tourist destination comprises a number of elements which in combination attract visitors to stay for a holiday (Buhalis, 2000; Lumsdon, 1997). Many academics have analyzed and categorized what destination is. Buhalis (2000) divides destinations into six elements which are attractions, accessibility, amenities, available packages, activities and ancillary services. Crouch and Ritchie (1999) divide destinations´ core resources and attractors into six categories, physiography (overall nature of the landscape, the climate and visual appeal of the destination), culture and history, market ties, activities, special events and tourism superstructure. Lumsdon (1997) divides destinations into four core elements, which are prime attractors, built environment, supporting supply services and atmosphere. Let's look at Lumsdon´s (1997) categorization in more detail.

Prime attractors are the main attractors which appeal to the visitor and which differentiate one destination from another. Prime attractors can be natural or manmade. Examples of main attractors are the Acropolis in Athens, the pyramids in Egypt, the Niagara Falls in the USA and the Taj Mahal in India.

Built environment comprises the physical layout of a destination and includes waterfronts, promenades, historic quarters and commercial zones. Major elements of infrastructure such as road and rail networks, open spaces and communal facilities are also part of this category. Examples of built environments are the Boston Waterfront, the London Docklands, the Venetian Canals and the Roman Quarter in Paris.

Supporting supply services are essential at all destinations. They are facilitating services such as accommodation, communications, transport, restaurants, entertainment and amenities.

The sociocultural dimensions of atmosphere and ambiance make up the cultural attributes of a destination. These attributes are the bridges between past and present, the mood ranging from sleepy to vibrant and the degree of friendliness and cohesion between the host community and visitors. Architectural style, natural setting, how local building materials are used, cultural diversity, social values and public environments are also part of these cultural attributes and have been referred to as the sense of place. Examples of the sociocultural dimension are the chaotic traffic of Delhi in India, the salsa music of La Habana, Cuba and the friendliness of the Greek islands (Lumsdon, 1997). The socioculturual elements must be authentic. It can have a negative effect on the tourists´ experience with the destination if they see them as being staged (Hughes, 1995). It's evident that new sophisticated consumers seek authentic and unique experiences (Buhalis, 2000).

The three elements that have the most influence on a destination and are the substance of the core offering are the natural resources, the climate and the culture (Crouch and Ritchie, 1999; Lumsdon, 1997). The cultural element seems to be growing in significance for many tourists, who feel too many destinations resemble one another. Thus, if a destination can provide visitors with a unique setting to experience lifestyle outside of their everyday routine, it has a clear competitive advantage (Crouch and Ritchie, 1999).

Most destinations can be classified into several categories based on their main attractions. Urban destinations attract business and leisure travelers. They have good tourist facilities like conference and exhibition halls, shops, restaurants, entertainment and transportation and accommodation infrastructure. Seaside destinations traditionally serve tourists on holiday by offering sea, sun and sand. Alpine destinations attract leisure travelers for winter sports such as skiing. They also attract tourists who appreciate natural attractions in all seasons. Lakes and scenic landscapes make alpine resorts increasingly popular for conference and incentive tourism. Rural destinations are developing rapidly. They take advantage of travelers desire to go back to nature and experience authentic agricultural processes. Authentic (often third world) destinations are often off the beaten track. There travelers enjoy authentic experiences in a setting that has limited tourism development. Some destinations are branded unique/exotic/exclusive as they are regarded to offer a unique and precious experience and are promoted as a once in a lifetime experience (Buhalis, 2000).

A destination can be regarded as a combination of all products, services and experiences provided at the destination. These can be accommodation, entertainment (theatres, galleries, clubs, concerts, cinemas and casinos), events (world fairs, carnivals, major sports events and festivals), restaurants and catering, visitor attractions (nature reserves

and country parks, museums and theme parks), retailing, transportation services and public goods (landscape, scenery, sea, lakes, sociocultural surroundings, atmosphere) (Buhalis, 2000; Lumsdon, 1997). All these are branded together under the name of the destination (Buhalis, 2000). Many of the elements that make up a destination are external factors that marketers are not in a position to control or change (Crouch and Ritchie, 1999). Because destinations are controlled by parties in both the public and private sector, changing what a destination has to offer is a complicated task (Buhalis, 2000).

The discussion above shows that destination product characteristics are complex and multidimensional (Gartner, 1989). What adds to this complexity is the intangibility of the product and the fact that the consumers have to move to where the product is consumed (Lumsdon, 1997).

2.2   Competitiveness of destinations

The success of tourist destinations in world markets is influenced by their relative competitiveness to other destinations. A destination is competitive if it can attract and satisfy tourists and this competitiveness is determined both by tourism-specific factors and by wide a range of other factors that influence the destination service providers (Enright and Newton, 2004). The rapid development of new destinations, especially in Africa and South America, generates high levels of competition. Destination planning and marketing is becoming more complex as tourists consume regions as travel experiences, often ignoring the fact that the destination product consist of a number of individually produced products and services. Providing innovative and well-coordinated products is therefore important for tourism regions. Partnership between the public and private sector and close co-operation between all local suppliers is the key to the ability of destinations to offer quality products (Buhalis, 2000). Matching or exceeding consumers´ expectations is important for the ability of both suppliers and destinations to attract visitors in the long term (Chon, 1990). Co-operation between competing and complementary destinations enables regions to learn from each other and adapt to the requirements that tourists have (Buhalis, 2000).

Crouch and Ritchie (1999) put together a conceptual model of destination competitiveness, which is built on Porter´s Diamond of national competitiveness (Enright and Newton, 2004). This framework, seen in figure 2-1, could help destinations improve their offerings and become more competitive in the marketplace.

DESTINATION COMPETITIVENESS

COMPETITIVE ENVIRONMENT MICRO

GLOBAL ENVIRONMENT MACRO

Qualifying determinants

| Location | Dependencies | Safety | Cost |

Destination management

| Resource stewardship | Marketing | Organization | Information | Service |

Core resources & attractions

| Infrastructure | Culture & history | Market ties | Mix of activities | Special events | Superstructure |

Supporting factors & resources

| Infrastructure | Accessibility | Facilitation resources | Enterprise |

Figure 2-1. Conceptual model of destination competitiveness (Crouch and Ritchie, 1999)

According to the model, destination competitiveness is determined by four major components of core resources and attractors, supporting factors and resources, destination management and qualifying determinants. The core resources and attractors have been mentioned earlier. They are the main reason that visitors choose one destination over another. The supporting factors and resources, such as infrastructure and accessibility, are the factors that provide the foundation for building a successful tourism industry. The third component, destination management, focuses on activities that can influence the other components by enhancing the appeal of the core resources and attractors, and by strengthening the quality and effectiveness of the supporting factors. The final component, quality of determinants, includes critically important variables such as location, overall costs and safety, which play a major role in destination competitiveness (Crouch and Ritchie, 1999; Enright and Newton, 2004).

To be competitive, destinations must develop the right marketing strategy. The right marketing strategy is carried out by selecting a segment of the market as a target market and by meeting the wants and needs of customers within the target market better than competitors (Burns and Bush, 2006; Hooley, Saunders and Piercy, 1998). This strategy is also known as

the STP approach, which stands for segmentation, targeting and positioning. Segmentation groups customers with similar wants, needs and responses. Targeting determines which group should be selected and in what manner this group should be served. Positioning addresses how products and services compete with other offerings in the market. By focusing marketing resources to serve the chosen group of customers, more value can be delivered to those customers. The customers that perceive more value from a product/service (brand) will develop a stronger preference for it than for competing brands, become more loyal to it and tend to repeat their purchase and communicate their favorable experiences to other potential customers (Lilien, Rangaswamy and De Bruyn, 2007). Let's look at each part of the STP marketing approach in more detail.

2.2.1 Segmentation

Segmentation provides guidelines for the marketing strategy and resource allocation among markets and products (Wind, 1978). Segmentation enables a destination to evaluate the attractiveness of each segment and select those segments it is able to serve effectively and profitably (Hooley, Saunders and Piercy, 1998; Lilien, Rangaswamy and De Bruyn, 2007). Segmentation answers a wide range of marketing questions about the response of market segments to marketing strategies such as price changes, new product offerings, product changes, advertising themes and promotional efforts (Wind, 1978).

When grouping customers into segments, the first thing to do is to categorize the customers by using basic behavioral variables such as customer needs, wants, benefits sought, problem solutions desired, preferences, values or usage situations. Then the market segments identified are described using variables that help the organization understand how to serve those customers and how to communicate to them. The variables that describe the market segment should highlight the profit potential of each segment and how these segments can be served (Hooley, Saunders and Piercy, 1998; Lilien, Rangaswamy and De Bruyn, 2007). The major variables used in segmenting consumer markets are geographic, demographic, psychographic and behavioral variables (Hooley, Saunders and Piercy, 1998; Solomon, Bamossy, Askegaard and Hogg, 2006).

An example using a psychographic segmentation is Plog´s typology of tourist into five categories based on personality dimensions (Litvin, 2006; Weaver and Opperman, 2000). Allocentrics and near-allocentrics are intellectually curious travelers who enjoy taking part in other cultures and are willing to take certain risks in this adventurous process. They make their own travel arrangements, travel by themselves or in pairs and are open to spontaneous

changes in itinerary. They also tend to avoid places that are heavily developed as tourist destinations, seeking out places where tourism is not much developed. In contrast, psychocentrics and near-psychocentrics are self-absorbed individuals who seek to minimize risk by staying at familiar, well developed destinations where a full array of familiar goods and services are available. Midcentrics have personalities that compromise between the psychocentric and allocentric dimensions.

2.2.2 Targeting

After feasible segments have been identified, the number of segments to target is decided (Hooley, Saunders and Piercy, 1998). The selection of relatively few segments is encouraged because of the cost of segmentation, the problems inherent in effectively reaching large number of segments and the complexity of managing a large number of segments (Wind, 1978). When deciding on what segment to choose the attractiveness of each segment is evaluated by looking at the segment´s growth rate, the cost of serving each segment, production cost and product differentiation cost (Lilien, Rangaswamy and De Bruyn, 2007). Segments to target can be found by using statistical methods such as cluster analysis and multidimensional scaling (Hooley, Saunders and Piercy, 1998; Wind, 1978). A portfolio matrix like the GE matrix can also be used (Lilien, Rangaswamy and De Bruyn, 2007).

2.2.3 Positioning

Positioning is accomplished by differentiating the product or service and then by positioning it towards the target market.

Differentiation is the creation of tangible or intangible differences on one or two key dimensions for a product/service relative to competing product/service (Lilien and Rangaswamy, 2003). A market offer can be differentiated from other offerings with product benefits, service benefits, by having more talented personnel than competitors or by differentiating on image (MacMillan and McGrath, 1997).

Positioning refers to how the product/service is positioned in the mind of consumers (Aaker and Shansby, 1982; Lilien and Rangaswamy, 2003; Ries and Trout, 2001). According to Ries and Trout (2001: 5):

> "The basic approach of positioning is not to create something new and different. But to manipulate what´s already up there in the mind. To retie the connections that already exist."

It´s possible to position an organization, a country, a product, a service and a person (Ries and Trout, 2001). After an offering has been positioned in the mind of the consumer, he/she will develop an image of it in his mind (Gudlaugsson, 2007). It is important that all marketing actions support the positioning that is communicated (Aaker and Shansby, 1982; Gudlaugsson, 2003).

Developing a competitive position for a destination in the marketplace is usually accomplished by creating and transmitting a favorable image to potential travelers in a predefined target market (Crompton, Fakeye and Lue, 1992; Gartner, 1993). To be successfully promoted in the target markets, a destination must have a product with benefits that are differentiated and positively positioned in the minds of travelers (Gartner, 1993). The destination should try to avoid (Lovelock, 1996):

1. Being forced into a position of competing directly with a stronger competitor.
2. Such an unclear position that its target market doesn´t recognize the message being sent. This often happens when a destination tries to be all things to all people.
3. Having no identity or a negative image in consumers´ minds and not creating a customer demand.

To develop a positioning strategy, destination marketers need to know the strengths and weaknesses of their destinations. Frame of reference with the competition is also necessary, since a position is based on a product´s perceived performance relative to competitors (Haahti and Yavas, 1983; Pike and Ryan, 2004). This information can help destination marketers see if the tourists perceive the destination offerings (demand side) to be consisted with the destination´s resources and market offerings (supply side) (Baloglu and McCleary, 1999a). The destination should make use of the attributes that differentiate it from competitors (Crompton, Fakeye and Lue, 1992). There should be a consistency among the various offerings and the positioning statement that is used, guides the product development. The position must be believable in the tourists´ minds and the destination must consistently deliver that promise (Pike and Ryan, 2004). For an image to be effective, it must meet these five criteria (Gertner and Kotler, 2004: 55):

1. **It must be valid.** If a place promotes an image too far from reality, the chance of success is minimal.
2. **It must be believable.** Even if the proposed image is valid, it may not be readily believable.

3. **It must be simple.** If a place disseminates too many images of itself, it leads to confusion.

4. **It must have an appeal.** The image must suggest why people would want to live in, invest in, work in or visit a place.

5. **It must be distinctive.** The image works best when it is different from other common themes.

Numerous destination positioning studies can be found in the literature (e.g. Ahmed, 1991, 1996; Baluglu and Brinberg, 1997; Baluglu and McCleary, 1999a; Botha, Crompton and Kim, 1999; Calantone, Benedetto, Hakam and Bojanic, 1989; Crompton, Fakeye and Lue, 1992; Day, Skidmore and Koller, 2002; Gartner, 1986; Goodrich, 1978; Haahti and Yavas, 1983; Nickerson and Moisey, 1999; Pike and Ryan, 2004; Ortha and Turecková, 2002; Rittichainuwat, Qu and Brown, 2001; Uysal, Chen and Williams, 2000; Walmsley and Young, 1998). One of the early image and positioning studies was done by Haahti and Yavas in 1983, where the authors studied tourists´ perception of Finland and eleven competing countries as travel destinations (Haahti and Yavas, 1983). Participants ranked the destinations on the ten most important attributes people consider when traveling to a destination. Based on the results, the authors suggested a positioning strategy for the Finnish Tourist Board. One noticeable strategy was to position Finland and the other Scandinavian countries as one destination, for example by saying: „in beautiful Finland there are four countries in one".

> "Such a strategy might not only attract those travelers planning to visit the other Nordic countries but might also lengthen the visitor´s stay in Finland. A similar strategy was used successfully by Belgium in its competition with Holland." (Haahti and Yavas, 1983: 42)

One of the first tourism boards to implement a marketing plan based on positioning was the Irish Tourist Board in 1965. First they identified the unique attributes of Ireland as held by key target markets (UK, USA, Canada, Germany, France and Scandinavia). These attributes included Roman caravans, medieval banquets in castles and folk singing and dancing. Although this was the image in the tourists´ minds, no such offerings were available to tourists. Thus, the Irish Tourist Board established grants and encouraged companies to develop these tourism products and the board handled the marketing aspects (Botha, Crompton and Kim, 1999).

3   Image

In this chapter, the concept of image will be examined. The chapter will start by looking at how people generate image. Then the concept will be connected to products, retail stores and companies. After that, the connection between image and countries will be examined.

3.1   Image and the mind

At the most fundamental level, image and how it is formed and measured is derived from the study of imagery in psychology (Echtner and Ritchie, 1991). Imagery has been defined:

> "as a process by which sensory information is represented in working memory." (MacInnis and Price, 1987: 473)

Mental imagery is also known as quasi-perceptual experience, an experience that significantly resembles perceptual experience, but which occurs in the absence of appropriate external stimuli (Thomas, 1999).

Information processing research was traditionally focused on discursive information processing. Discursive (or descriptive) information processing refers to how symbols like words and numbers are combined in working memory to represent and solve problems. Imagery processing is different from discursive processing in several ways. Imagery processes are evoked as sensory experiences in working memory and include perceptual or sensory representations that are used in the same way as perceptions of external stimuli. Imaginary processing involves concrete sensory representation of ideas, feelings and memories. It also helps direct recovery of past experiences. The evocation of imagery can involve a single sense such sight or it can be a multi-sensory experience involving an image that relies on smell, taste, sight, sound and/or texture. Discursive processing such as verbal retrieval, cognitive responding and verbal coding is more detached from internal sensory experiences, which makes them more abstract than imagery processes (MacInnis and Price, 1987). So the imagery process involves the holistic impressions of stimuli in the memory while the discursive process is characterized by pieces of information on individual features or attributes of the stimuli (Echtner and Ritchie, 1991). Imagery and discursive processing are not mutually exclusive processes. An individual can evoke an image and give it a verbal label or generate cognitive responses based on imagined (visualized) scenarios (MacInnis and Price, 1987). Imagery and perceiving (or sensing) are not the same phenomenon, but research

has indicated that they share psychological similarities (MacInnis and Price, 1987; Thomas, 1999). Imagery and imagination are also not the same things (Thomas, 1999).

Sensation refers to how people´s sensory receptors (eyes, ears, nose, mouth, fingers) respond to stimuli (sights, sounds, smells, tastes and textures) in the environment. Perception refers to how people interpret, give meaning to and respond to those sensations. Image processing has been called perceptual selectivity. A perceptual selectivity process can be broken down into four stages; primitive categorization, cue check, confirmation check and confirmation completion. Related to perception is the concept schema, which encompasses organized collections of beliefs and feelings. People tend to group objects they see as having similar characteristics, and the schema to which an object is put into is an important determinant of how people choose to evaluate the object at a later time (Solomon, Bamossy, Askegaard and Hogg, 2006).

Beliefs represent information held about an object, like for example that a person has certain characteristics, qualities or attributes (Fishbein and Ajzen, 1972). Attitude is a favorable or unfavorable evaluation of that object. So attitudes are based on beliefs and their associated evaluations (Ajzen, 2001). Research in psychology suggests that attitude comprises cognitive, affective and conative (holistic) components (Ajzen, 2001; Fishbein and Ajzen, 1972). Cognition is the sum of what an individual knows about an object, affect represents individual's feelings about an object and conation is the action component, that is how an individual acts on the information (behavioral intension) that he or she has gathered on the cognitive and affective stages. Cognition and affect are mental responses to stimuli in the environment (Fishbein and Ajzen, 1972). Cognition is a mental response that involves thinking about, paying attention to, remembering, understanding, interpreting, evaluating and making decisions about stimuli in the environment. Affect includes positive or negative responses of feelings with varying intensity. At the high end of intensity are feelings such as love and anger, then satisfaction and frustration, followed by moods such as boredom and relaxation. At the low end of intensity are attitude feelings such as liking or disliking (Tasci, Gartner and Cuvusgil, 2007). Attitudes toward some objects rely more on affect whereas attitudes toward other objects rely more on cognition (Ajzen, 2001).

3.2   The image of products, retail stores and companies

The image concept has its roots in marketing (Konecnik and Garner, 2007). Sidney Levy of Northwestern University introduced the concept of image in 1955, and it has since then been applied to various objects (Barich and Kotler, 1991), for instance in anthropology, sociology,

geography and semiotics (Gallarza, Gil and Calderón, 2002). Academic interest regarding the concept of image has, in several fields and disciplines, been extensive since the early works of Boulding in 1956 and Martineau in 1958. Martineau proposed that human behavior is dependent upon image rather than objective reality. Early work on the concept of image has led to the suggestion that the world is:

> "a psychological or distorted representation of objective reality residing and existing in the mind of the individual." (Baloglu and McCleary, 1999a:871)

An often cited definition of the concept of image comes from Barich and Kotler (1991: 95):

> "The sum of beliefs, attitudes, and impressions that a person or group has of an object. The object may be a company, product, brand, place, or person. The impressions may be true or false, real or imagined."

MacInnis and Price (1987) suggest that products are perceived both in terms of individual attributes (discursive processing) and holistic image (imagery processing) and that both these dimensions are used when consumer evaluate the product prior to the purchase. Sometimes consumers form opinions about a products attributes, whether they know anything about them or not, based on their knowledge on only one of the product´s attributes. This process is called the halo effect. People feel that certain attributes go together and they make inferences about the product´s attributes based on a single or few known aspects. Sometimes one attribute attracts the attention of most consumers and plays a disproportionately large role in the image of the product (Reynolds, 1965; Solomon, Bamossy, Askegaard and Hogg, 2006).

Associational structures can also be important in image building since there are uniformities among persons. This is generally recognized in the research conducted on names proposed for new products. An expensive product is a good product in the mind of most people so a marketer may be able to build an image by communicating that his product is of a certain class (Reynolds, 1965).

Cognitive dissonance is when new information about an object that a person knows doesn´t fit that object´s profile in his/her head. Dissonance creates tension and people have evolved strategies for handling it. People can refuse to admit the existence of that new information or they can search for additional information or develop broader concepts that will resolve the dissonance (Reynolds, 1965; Solomon, Bamossy, Askegaard and Hogg, 2006). A dissonance offers a real opportunity and if a confused image is handled in the right

way, it can create an asset for the company, according to Reynolds (1965). The Avis slogan: "We´re second in rental cars, we try harder" is an attempt to bring "second" and "best" into consonance (Reynolds, 1965, Ries and Trout, 2001).

Pierre Martineau published an article in Harvard Business Review in 1958 titled "The personality of the retail store", where he studied what influenced women shoppers to go to one retail store rather than to another (Martineau, 1958). He said that there was a force that influenced customers' determination to shop at one particular store rather than some other store, besides functional factors like location, price range and product range. He called this force the store´s personality or image and defined it as:

> "the way in which the store is defined in the shopper´s mind, partly by its functional qualities and partly by an aura of psychological attributes." (Martineau, 1958: 98)

What makes up a store´s image, according to him, are many elements such as architecture, color schemes, advertising and salespeople. He wrote that there is no such thing as a store image with equal appeal for all income groups, social classes, ages and types since each segment of the market looks for a different emphasis. Martineau also said that a customer seeks the store with the image which is the most congruent with the image that he has of himself. According to Martineau, much of what applies to stores also applies to products and packages. Organization image and personality are also important to the success of service organizations, such as airlines. He also wrote that the image plays an increasingly vital role in the fortunes of business (Martineau, 1958).

According to Spector (1961), the concept of corporate image is based on the recognition that customers buy brand products not only because of their attributes or qualities but also because of their feelings towards products of selected manufacturers. People develop attitudes toward a manufacturer and perceive him to have certain characteristics. The image of the manufacturer affects people´s selection and rejection of his products. People tend to associate personality characteristics to companies and see them, for example, as mature, liberal or friendly. Spector´s (1961) definition of peoples´ image of companies is:

> "the sum total of their perceptions of the corporation´s personality characteristics." (Spector, 1961: 47)

Reynolds (1965) said that the word image was often used in equivalent to the word reputation and Gotsi and Willson (2001) came to the conclusion, after reviewing former image and reputation studies regarding corporations, that these concepts are much related and can mean the same thing.

According to Barich and Kotler (1991) an organization can have many images, depending on the specific object being studied, the target market and other conditions. Firstly is the corporate image, which is the way people view the whole corporation. Secondly is the product image, which is the way people view a particular product category. Thirdly is the brand image, which is the way people view a particular brand in competition with other brands. Finally there is the marketing image which is the way people view the quality of the company´s overall marketing offer and marketing mix. The differences between corporate and marketing image is that marketing image management seeks to encourage customers to purchase the company´s products and services and to recommend its products and services to others. Corporate image management, in contrast, seeks to inspire improved attitudes toward the company. This attitude can affect the company´s stock price, desire for people to join and work hard for the company and can affect support for legislation favorable for the company (Barich and Kotler, 1991).

3.3   The image of countries

Every place has an image (Papadopoulos and Heslop, 2002). People have an image of countries that can be brought forth by simply saying their names. A country´s image can be formed from many sources (Kotler and Gertner, 2002; Papadopoulos and Heslop, 2002) among other things it results from a country´s geography, history, proclamations, art and music and famous citizens. The entertainment industry and the media play a large part when it comes to shaping people´s perceptions of countries, especially those viewed negatively (Kotler and Gertner, 2002). People routinely use these perceptions to make sense of the world around them by associating them with, for example, objects, events, experiences, products and persons (Mossberg and Kleppe, 2005; Papadopoulos and Heslop, 2002). The image of a country is likely to influence people´s decisions related to purchasing products, investing in, changing residence and travelling to that country (Kotler and Gertner, 2002). The image of a country can be defined as:

> "the total of all descriptive, inferential, and informational beliefs about a particular country." (Mossberg and Kleppe, 2005: 495)

The formation of an image relies on perception (Papadopoulos and Heslop, 2002) and most country image is intertwined with stereotyping (Kotler and Gertner, 2002; Papadopoulos and Heslop, 2002). Stereotyping is:

> "the process of generalizing to an entire class of objects from a limited number of observations. Stereotypes develop over time as one classifies repeated observations into schemata which are then correlated to form one´s view of the world." (Papadopoulos and Heslop, 2002: 295)

So a stereotype image is extreme, not necessarily accurate, simplifications of the reality. It might be outdated, based on things that are expectations rather than a part of a pattern and can also be based on peoples´ impressions rather than on facts (Kotler and Gertner, 2002). A country´s image has many dimensions and may carry large amounts of information built on both fact and feelings. A typical stereotypical image of Sicily is of an island full of mafia gangsters, but that is only a small part of a wider image. Another side of Sicily´s image is a beautiful island with many beaches and which is warm for most the year (Kotler, Heider and Rein, 1993).

3.3.1   The country of origin effect and product-country image

Products are excluded from the definition of a country image, but country image can be connected to specific products (Mossberg and Kleppe, 2005). The study of country-of-origin effects (COO) seeks to understand how consumers perceive products from a particular country (Roth and Romeo, 1992). The relationship between the image of a country and the image of the products made in that country is one of the most prominent topics in international business research (Hooley, Shipley and Krieger, 1988; Kotler and Gertner, 2002; Papadopoulos and Heslop, 2002). Nagashima is credited for being the first to research and define the "made in" image (Parameswaran and Pisharodi, 2002; Roth and Romeo, 1992) as:

> "the picture, the representation, the stereotype that businessmen and consumers attach to products of a specific country." (Nagashima, 1970: 68)

Most studies about the country of origin effect have studied the relationship between the product and the country on four dimensions. These dimensions are innovativeness, design, prestige and workmanship (Roth and Romeo, 1992).

According to Parameswaran and Pisharodi (2002), the intention to purchase a product from a country is influenced by the specific product attributes of the brand in question along with general perceptions of products from the country, as well as the perception consumers have of the country and its people. It has been demonstrated that consumers´ willingness to purchase products is related to the economic, political and cultural characteristics of the products´ country of origin. Consumers´ image of a country´s unfamiliar population can be formed on the basis of their capacity to produce quality products and that perception impacts the evaluation of products from that country (Parameswaran and Pisharodi, 2002). The concept of country quality is really what makes the COO effect take place (Roth and Romeo, 1992). For example, a USA consumer´s decision to buy a BMW car is influenced by how he perceives the features of the BMW car, which in turn, is affected by how he views German products as well as Germany and its people. Research has shown that country image perceptions may differ depending on consumers´ nationalities (Roth and Romeo, 1992).

Roth and Romeo (1992) researched a new dimension of the COO effect namely the fit between countries and product categories, for example furniture, cars and wines. Evidence suggests that country image perceptions may vary across product categories. The concept of product country image involves identifying the matches between country image associations and specific product categories (Mossberg and Kleppe, 2005). Roth and Romeo´s (1992) study showed that willingness to buy a product from a particular country will be high when the country´s image is also an important characteristic for the product category. Thus, perceptions vary depending on how well the perceived production and marketing strengths of a country relates to the product category. Country and product familiarity did not affect the image perception.

The "made in" cue has become very unclear because of global sourcing. Concepts such as headquarter´s residence, brand origin and "designed in" have become more common on products (Mossberg and Kleppe, 2005). Current research on the COO effect attempts to study how consumers respond to products imported from another country; designed in one country and manufactured in another; manufactured in more than one location; manufactured in one country but branded in another (Roth and Romeo, 1992). Recent findings suggest that design origin evokes the deepest associations regarding the image of a product. Where a product is manufactured doesn´t seems to affect the image of the product any more (Mossberg and Kleppe, 2005).

Tourism and product country image appear to have a two-way relationship. On the one hand, when people travel to a country their image of it may change from a simple

stereotype to one that more accurately captures the actual features of a country (Nadeau, Heslop, OʹReilly and Luk, 2007). The image of a country established through tourism experience is also likely to have a positive effect on the export of goods and services (Gnoth, 2002). On the other hand, the image of a country (including its products) can directly affect the intention to visit that country (Nadeau, Heslp, OʹReilly and Luk, 2007).

4   Destination image

Research on the image of destinations began in the early 1970s with Gunn´s work in 1972 on how destination image is formed (Gunn, 1988), and Hunt´s work (1975) on how destination image is measured (Gallarza, Gil and Calderón, 2002; Konecnik and Gartner, 2007; Nickerson and Moisey, 1999). In the years 1973 to 2000, there were at least 142 papers published that directly or indirectly investigated destination image topics (Pike, 2002). There are many possible approaches to studying destination image because it has many implications for human behavior (Gallarza, Gil and Calderón, 2002). Destination image is closely related to the field of environmental psychology which utilizes assessment of cognitive or perceptual mapping, environmental response, environmental personality, environmental preference and affective qualities of places (Tasci, Gartner and Cavusgil, 2007). In geography, destination image has been studied in a field called mental mapping. It refers to the component of image which contains spatial information concerning what is located where within a place. Knowledge of tourists´ spatial maps may give insight into the composition of destination experiences (Walmsley and Jenkins, 1992; Young, 1999).

In this chapter, the image of destinations will be examined in detail. First, the components of destination image will be discussed, followed by a discussion on how destination image is formed. Then, the selection process tourists go through and the role image plays in the process when they choose a destination, will be examined. After that, an overview of earlier research will be given. Finally, image and its connection to other variables will be discussed, followed by a chapter on how to measure destination image.

4.1   The components of destination image

There are many definitions available about the concept of destination image and many authors have tried to get to the core of it (Gallarza, Gil and Calderón, 2002). Some authors have examined how the destination image concept has been defined in the literature (e.g. Echtner and Ritchie, 1991; Gallaarza, Gil and Calderón, 2002; Tasci, Gartner and Cavusgil, 2007). Hunt (1975:1) defined image as:

"perception held by potential visitors about an area. "

Crompton´s definition is cited most commonly in other academic articles (Jenkins, 1999):

> "the sum of beliefs, ideas and impressions that a person has of a destination."
> (Echtner and Ritchie, 1991: 7)

Gallarza, Gil and Calderón (2001) wrote that image always corresponds to an interiorization of some perceptions and that not everyone has the same perceptions. According to them, destination image refers to perceptions of tourists in a destination. These correspond to the perceived contribution of various services to be found at destinations, such as accommodation, food and transport (Gallarza, Gil and Calderón, 2002). Tasci, Gartner and Cavusgil (2007) wrote that the use of perception of an image is theoretically inappropriate when potential tourists have not yet experienced perception through pictures or visitation. Baloglu and McCleary (1999) and Tasci, Gartner and Cavusgil (2007) studied all the components proposed by destination image researchers and concluded that the three main components are cognitive, affective and conative components. Cognition is the sum of a person´s knowledge about a destination, which may be organic or induced. This is the awareness, knowledge or belief that people have about a destination. Affect represents an individual´s feeling toward a destination. The conation component may be considered as the likelihood of visiting a destination within a certain time period (Baloglu and McCleary, 1999; Tasci, Gartner and Cavusgil, 2007; Pike and Ryan, 2004). Tasci, Gartner and Cavusgil (2007:200) concluded that destination image was:

> "an interactive system of thoughts, opinions, feelings, visualizations, and intentions toward a destination."

Several authors (e.g. Echtner and Ritchie, 1991; Fakeye and Crompton, 1991; Gartner, 1993) have written about the lack of a conceptual framework for studying destination image. A number of authors have put together a conceptual framework for the components of destination image research, for example, Baloglu and McCleary (1999), Echtner and Ritchie (1991), Gallarza, Gil and Calderón (2002) and Tasci, Gartner and Cavusgil (2007). Despite widespread interest in a unified destination image theory, no single approach is commonly accepted (Konecnik and Gartner, 2007). Many researchers agree that Echtner and Ritchie (1991, 1993) have contributed greatly to the framing of destination image (Gallarza, Gil and Calderón, 2002; Tasci, Gartner and Cavusgil, 2007). Their study was the initial attempt in destination image research literature to link the main components of image together in a useful and interactive way (Tasci, Gartner and Cavusgil, 2007), so a closer look at their work is important.

4.1.1 Echtner and Ritchie´s destination image framework

In their article "The meaning and measurement of destination image", Echtner and Ritchie (1991) wrote that destination image research depended too much on quantitative studies with structured questionnaires. They said that structured questionnaires measured only the cognitive component of the destination image, with emphasis on a list of destination attributes. They suggested that destination image should be measured and defined along three dimensions; 1) attributes – holistic, 2) functional – psychological, 3) common – unique. They proposed a conceptual framework built along these dimensions to view and measure the image of destinations. The framework can be seen in figure 4-1.
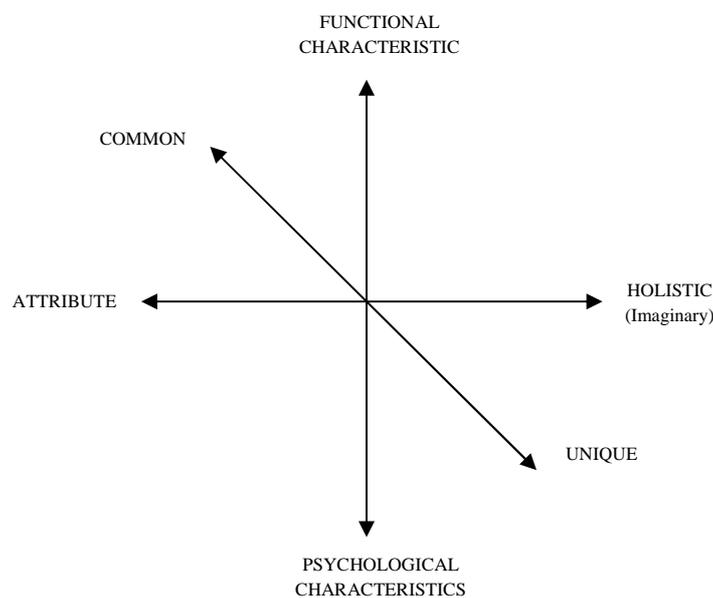
Figure 4-1. The components of destination image (Echtner and Ritchie, 1991)

The theory behind the attribute – holistic dimension is based on work done in psychology and consumer behavior about how people view products as having both individual features and a holistic impression. In the same way, they proposed that the tourism product, a destination, could have these same components (Echtner and Ritchie, 1991, 1993). Individual attributes are, for example, climate, tourist facilities, landscape or the friendliness of the local people. Holistic impressions, in the case of a tourist destination, are the mental picture or imagery people have about the place (Echtner and Ritchie, 1991, 1993).

The functional-psychological dimension is based on research done on product, store and corporate image (Echtner and Ritchie, 1991, 1993). The functional components are those elements that are observable or measurable and the psychological components are those that are less tangible or are difficult to measure. By interrelating the dimensions functional –

psychological and attributes – holistic, it comes clear that an attributes image and a holistic image of a destination can be a functional one or a psychological one (Echner and Ritchie, 1991, 1993).

The common-unique dimension is based on research in tourism on symbols being a significant factor of destination image as well as the discussion of must-see sights (Echtner and Ritchie, 1991, 1993). Based on this dimension:

"images of destinations can range from those 'common' functional and psychological traits to those based on more 'unique' features, events, feelings or auras." (Echtner and Ritchie, 1991: 7)

Examples of common characteristics are price level, transportation infrastructure and climate (functional) and level of friendliness of local people, safety, quality of service expected and fame (psychological). Examples of the unique features and events (functional characteristics) are China and the Great Wall or Greenland and Eskimos or Brazil and the Carnival in Rio. On the psychological axis of uniqueness, destination image can include the aura of the Vatican or the romantic atmosphere of Paris (Echtner and Ritchie, 1991).

Based on this framework Echtner and Ritchie (1991), defined image as:

"Not only the perceptions of individual destination attributes but also the holistic impression made by the destination. Destination image consists of functional characteristics, concerning the more tangible aspects of the destination, and psychological characteristics, concerning the more intangible aspects. Furthermore, destination images can be arranged on a continuum ranging from traits which can be commonly used to compare all destinations to those which are unique to very few destinations." (Echtner and Ritchie, 1991: 8)

Echtner and Ritchie (1993) published another article in 1993, named "The measurement of destination image: An empirical assessment" where they tested their framework on four destinations, Jamaica, Japan, Kenya, Switzerland. These countries were selected to obtain a variety of destination types. The article was written to illustrate that a combination of structured and unstructured methodologies were necessary to measure destination image. To create the survey instrument, they developed a series of open-ended questions that were supposed to capture the holistic component of destination image along the functional-psychological dimension. They also created questions for the unique component of the common-unique dimension. After pretesting and revision of the questions

by a panel of judges, Echtner and Ritchie (1993) formed three questions that were supposed to measure the holistic and unique components of image:

1) What images or characteristics come to mind when you think of X as a vacation destination? (functional holistic component)

2) How would you describe the atmosphere or mood that you would expect to experience while visiting X? (psychological holistic component)

3) Please list any distinctive or unique tourist attractions that you can think of in X? (unique component) (Echtner and Ritchie, 1993: 5).

They also created a list of attributes that was supposed to measure the attribute side of the attribute-holistic dimensions, both for the functional and psychological components. To create this list they studied former research on destination image, held 12 focus groups and put the results before a panel of judges. The final attribute list for the survey instrument included 35 attributes, seen in figure 4-2. They are arranged along a functional-psychological continuum (Echtner and Ritchie, 1993).
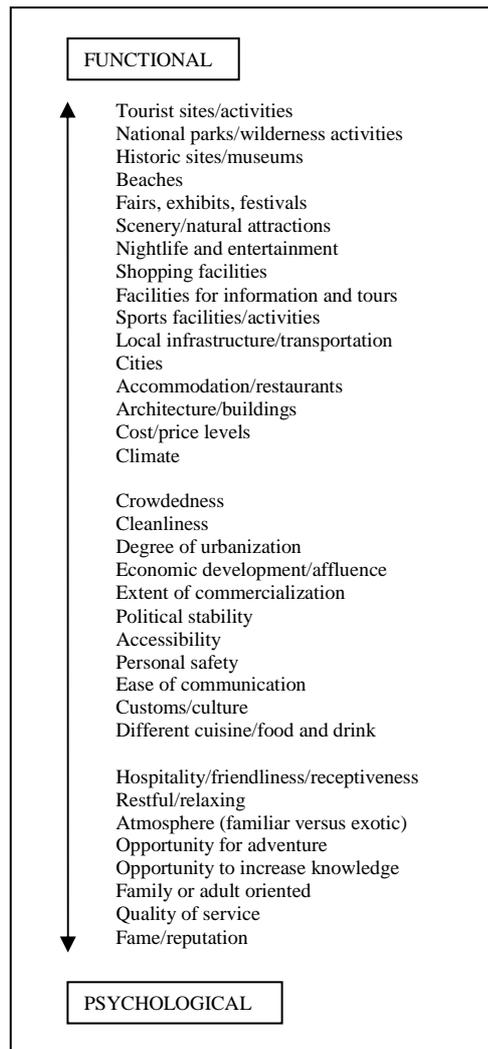
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┌─────────────────────────────────────────────┐
│  ┌──────────────┐                             │
│  │ FUNCTIONAL   │                             │
│  └──────────────┘                             │
│  ▲        Tourist sites/activities            │
│  │        National parks/wilderness activities│
│  │        Historic sites/museums              │
│  │        Beaches                             │
│  │        Fairs, exhibits, festivals          │
│  │        Scenery/natural attractions         │
│  │        Nightlife and entertainment         │
│  │        Shopping facilities                 │
│  │        Facilities for information and tours │
│  │        Sports facilities/activities        │
│  │        Local infrastructure/transportation │
│  │        Cities                              │
│  │        Accommodation/restaurants           │
│  │        Architecture/buildings              │
│  │        Cost/price levels                   │
│  │        Climate                             │
│  │                                            │
│  │        Crowdedness                         │
│  │        Cleanliness                         │
│  │        Degree of urbanization              │
│  │        Economic development/affluence      │
│  │        Extent of commercialization         │
│  │        Political stability                 │
│  │        Accessibility                       │
│  │        Personal safety                     │
│  │        Ease of communication               │
│  │        Customs/culture                     │
│  │        Different cuisine/food and drink     │
│  │                                            │
│  │        Hospitality/friendliness/receptiveness│
│  │        Restful/relaxing                    │
│  │        Atmosphere (familiar versus exotic) │
│  │        Opportunity for adventure           │
│  │        Opportunity to increase knowledge   │
│  │        Family or adult oriented            │
│  │        Quality of service                  │
│  ▼        Fame/reputation                     │
│  ┌──────────────┐                             │
│  │ PSYCHOLOGICAL│                             │
│  └──────────────┘                             │
└─────────────────────────────────────────────┘
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Figure 4-2. Echtner and Ritchie´s attribute list (Echtner and Ritchie, 1993)

Two scale items were developed to measure the perception of each of the 35 attributes, so there were 70 scale items that were incorporated into a six-point Lickert scale format, which comprised the second section of the questionnaire. After a pretest, the final questionnaire was administered to a sample of 600 participants. Each participant answered a questionnaire for only one country that he or she hadn´t visited before. This was to make sure the image was based on secondary sources and not on actual experience. About 150 questionnaires were completed for each of the four countries being measured. To obtain the results, the open ended questions were coded and put into categories. The attribute questions were analyzed with factor analyses to determine the dimensionality of the scales. In general, in the authors view, the result was that the open-ended questions were successful in drawing out the holistic and unique components of destination image, both in terms of functional and psychological characteristics. On the other hand, the open-ended questions provided only impressions on some aspects of each destination while the attribute scale provided a broader base of image

formation. When compared to the scale items, the answers to the open-ended questions provided more descriptive, distinctive and detailed impressions. For example, one attribute question asked about the perceived degree of friendliness on a scale from one to six while the open-ended question revealed the differences in the way participants viewed friendliness. Thus, in Jamaica, the local peoples´ friendliness was perceived as being outgoing and fun but in Japan as reserved and formal (Echtner and Ritchie, 1993).

Figure 4-3 shows the results for the image of Jamaica in the destination image framework for the attribute-holistic and functional-psychological components. The informations in the left quadrants are from the attribute items and the informations in the right quadrants are from the open-ended questions (Echtner and Ritchie, 1993).
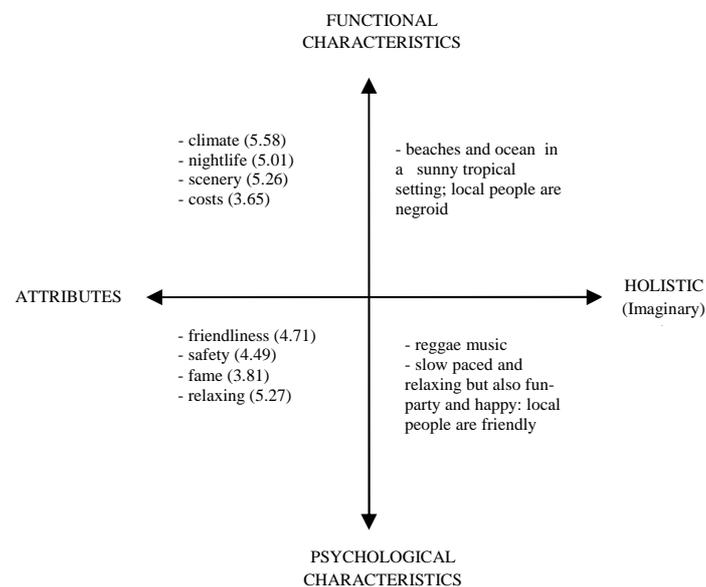

Figure 4-3. Two dimensional model of Jamaica´s image (Echtner and Ritchie, 1993)

Echtner and Ritchie´s work is considered an important contribution to the field of destination image research. Studies using qualitative methods or a combination of quantitative and qualitative methods increased after the publication of their research (Tasci, Gartner and Cavusgil, 2007). A number of researchers studying destination image have used Echtner and Ritchie´s destination image framework as a format for their research (e.g. Choi, Chan and Wu, 1999; Ibrahim and Gill, 2005; Konecnik, 2004; Rezende-Parker, Morrison and Ismail, 2003; Stepchenkova and Morrison, 2008). Some recommendations suggested by Echtner and Ritchie (1991) have not been followed, according to Tasci, Gartner and Cavusgil (2007). Most noticeable is that the attribute lists in destination image studies have not been

unified and there are still differences between the attributes included. So some attribute lists might be missing some relevant destination characteristics.

4.2   Destination image formation

The two sides in destination image formation are the destination and the receiver. So image formation is both a supply-side (pull factors) and a demand-side (push factors) component. There is also a third independent component that can affect the information received. The projected image and the received image are not always the same because of alteration and modification of the message. Image formation agents arise through personal experience and they can be formed solely through information sources or even in the absence of any commercial information (Tasci and Gartner, 2007).

Gunn was among the first, in 1972, to break the image formation process into component parts (Gartner, 1993). Gunn (1988) suggested that the image formation would happen in seven stages:

1. **accumulation** of mental images of a place (organic image)
2. **modification** of images through researching prior to the decision to travel (induced image)
3. the **decision** to travel based on image efficiency and anticipated experience but kept within time, money and other constraints
4. **travel** to attraction may condition the image (for example road signs, landscape, guides)
5. **participation** or experience at the destination, the activities, accommodation and other services all influence the image (modified-induced image)
6. **return travel** allows reflection and evaluation, including discussing experiences with fellow travelers
7. **new accumulation** occurs after the visit because the process is circular, the end image may be the same or different to the original one

Gunn (1988) suggested that image was formed on an organic or induced level. Organic image is formed as an exposure to information from resources that are not linked in any way to a destination. These sources can be school lessons, stories from friends, newspapers, magazines or television. This organic image evolves into an induced image which is an image influenced by tourist organizations´ directed information, like travel brochures or advertisement. Gunn suggested that even an individual who has never visited a destination or sought information

about it will have some image of it in his mind, though it may be incomplete. He also suggested that the image held by potential visitors, non-visitors and return visitors will not be the same (Gunn, 1988).

Building on the work of Gunn and others, Gartner (1993) proposed a typology of eight image formation agents; 1) overt induced I, 2) overt induced II, 3) covert induced I, 4) covert induced II, 5) autonomous, 6) unsolicited organic, 7) solicited organic and 8) organic. These agents relate to degree of control by the promoter and credibility with the target market (Mackay and Fesenmaier, 1997). The stages often operate concurrently, forming an image in the mind of the prospective traveler that is individually distinct but with features shared by others. An image formation agent differently affects formation of mental destination image and has important implications for the creation and change of image by destination marketers (Gartner, 1993).

1) Overt induced I consists of traditional forms of advertising such as television, print media, brochures and billboards. Message from these formation agents has the lowest credibility.

2) Overt induced II consists of information received or requested from tour operators, wholesalers and organizations that have an interest in the travel decision process but are not directly associated with any particular destination. Information from these agents has a medium credibility with tourists.

3) Covert induced I is a category in which the information about a destination is projected through a second-party spokesperson. It is a form of advertising and second-party spokespersons are chosen by the destination marketers based on their name recognition and credibility. This information forming agent has a low to medium credibility.

4) Covert induced II also consists of information forming agents that the destination promoters are directly involved in, to develop the projected image. But with these agents, persons being influenced should not be aware of the connection. These agents take the form of unbiased articles in newspapers or magazines, reports and stories about a particular place, delivered by someone with high credibility that apparently has no invested interest in the destination. With this agent, credibility rises as the image is now projected by a source that does not appear to have any connection with the destination.

5) The autonomous agent consists, for example, of independently produced reports, articles, films and documentaries about a specific place. This category is sub-divided into news and popular culture (films and music). The most common form in this category is television news stories. The autonomous image formation agent may be the only agent

capable of changing an area´s image dramatically in a short period of time, because of its high credibility and market penetration. It is not possible, due to high costs, to quickly and effectively counter perception and image that the autonomous agents project.

6) Unsolicited organic consists of unrequested information received from individuals that have visited a destination or believe they know what exists there. Because the person receiving the information didn´t request it, the credibility factor is only moderate.

7) Solicited organic consists of requested information received from a knowledgeable source, often either friend or relative. Because of the nature of the agent, the credibility of this source is very high. This information formation stage is also referred to as word of mouth advertising, so it can be the most critical determinant of an area´s economic viability.

8) The organic agent consists of actual visitation, after which a new destination image is formed in the minds of visitors.

These agents affect the formation of destination image differently and should be used in combination for an effective destination image promotion (Gartner, 1993). It is believed that actual visitation creates an image more realistic than the image that existed prior to visitation (Tasci and Gartner, 2007). Fakeye and Crompton (1991) built a model that describes the image formation process, linked to tourism promotion and destination choice. The model can be seen in figure 4-4.
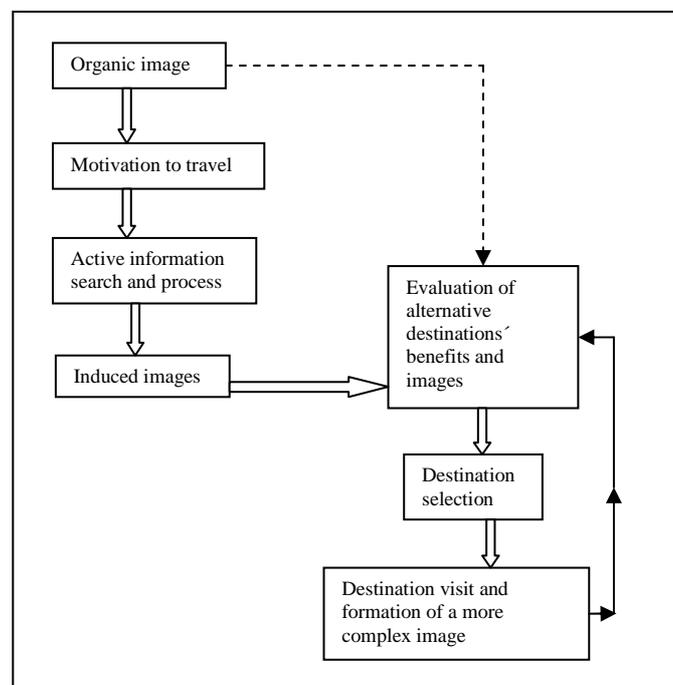

Figure 4-4. Model of tourists´ image formation process (Fakeye and Crompton, 1991)

They proposed that image evolves through three stages: organic, induced and complex. Complex image is the results of actual visitation and experience with the destination. The authors argue that it is complex because it allows a more differentiated view and truer knowledge of the destination (Fakeye and Crompton, 1991). Organic, autonomous and induced image formation agents form this complex image and a change in one agent can affect the other and modify the complex image (Fakeye and Crompton, 1991; Tasci and Garnter, 2007).

Various researchers have investigated the factors influencing image formation (Jenkins, 1999). Baloglu and McCleary (1999a) constructed a model of the determinants of tourism destination image before actual visitation. They found that the number and type of information sources, age and education influence perceptual/cognitive evaluations. Hunt (1975) and Scott, Schewl and Frederick (1978) showed that distance from the destination influences how image is formed. That is because people are likely to be exposed to information about destinations near their homes and are also likely to have visited destinations near their homes.

4.3   The destination choice process

The initial image formation stage before a trip is the most important phase in tourists´ destination selection process (Baloglu and Mccleary, 1999a; Gunn 1988). Many models of consumer behavior argue that awareness is a first and necessary step leading to trial and repeat purchase (Holloway, 2002; Fesenmaier, Vogt and Steward, 1993; Lumsdon, 1997; Weaver and Oppermann, 2000). Awareness includes different levels of a destination´s recognition like top of mind and brand recognition (Konecnik and Garner, 2007). A simple buying behavior model is the AIDA model. The abbreviation stands for awareness, interest, desire and action. The first step in the process is to move the consumer from unawareness to awareness and following steps to evoke interest and information gathering and desire that may eventually lead to the action to buy (Holloway, 2002). Figure 4-5 shows how the cognition, affect and conation relationships might apply in decision making. This model is based on the AIDA model (Pike and Ryan, 2004).

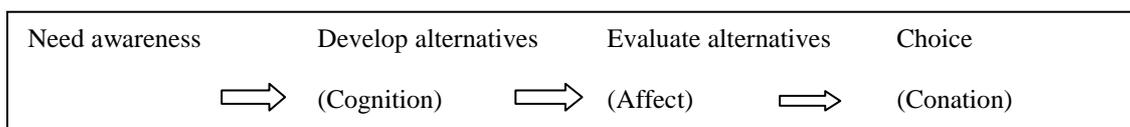| Need awareness		Develop alternatives		Evaluate alternatives		Choice
	$\Rightarrow$	(Cognition)	$\Rightarrow$	(Affect)	$\Rightarrow$	(Conation)

Figure 4-5. Decision making model (Pike and Ryan, 2004)

When a destination wants to be successful, it first has to achieve tourist awareness and positive image (Konecnik and Gartner, 2007). To have awareness about a destination means that people have an image of the destination (Gartner, 1993; Milman and Pizam, 1995). According to Milman and Pizam (1995) that awareness may at best result in curiosity to learn more about the destination and unless the image is positive, visitation will not occur (unless traveling to the destination cannot be avoided).

When a potential traveler is deciding what destination to visit, he will only put a destination in his "realizable opportunity set" if an image of a destination exists in his mind. Those destinations that have a strong image for the types of activities deemed important for an individual or group will go on to the "opportunity set", but others will be eliminated. This opportunity set is then reduced step by step by evaluating destination attributes in terms of the expected returns. The evaluation will be based to some extent on the decision maker's feelings (affect). When reducing the destination choices, the potential traveler will move destinations from the opportunity set to the "consideration set", the "choice set", the "evoked set" and finally to the "decision set". This evaluation process may not even be a conscious act. The evoked set will be smaller for tourists with more experience (Tasci and Gartner, 2007). People's decisions to select a destination will also be influenced by other people around them (pressure from society), fashion and taste, people's lifestyle, personality traits and socio-demographic factors (Holloway, 2002).

4.4   Earlier research

In a broad perspective, the image of destinations has been studied at **country level** (Andersen, Prentice and Guerin, 1997; Andreu, Bigne and Cooper, 2000; Baloglu, 1997; Baloglu, 2000; Baloglu and Mangaloglu, 2001; Baloglu and Brinberg, 1997; Baloglu and McCleary, 1999a; Beerli and Martín, 2004; Bojanic, 1991; Calantone, Di Benedetto, Hakam and Bojanic, 1989; Chaudhary, 2000; Chon, 1990; Court and Lupton, 1997; Dann; 1996; Dillon, Domzal and Madden, 1986; Echtner and Ritchie, 1991, 1993; Ehemann, 1997; Embacher and Buttle, 1989; Gartner and Shen, 1992; Goodrich, 1978; Grønhaug and Heide, 1992; Haahti and Yavas, 1983; Hu and Ritchie, 1993; Ibrahim and Gill, 2005; Kale and Weir, 1986; Konecnik, 2004; Manrai and Manrai, 1993; McLellen and Foushee, 1983; Murphy, 1999; O´Leary and Deegan, 2005; Pearce, 1982; Rezende-Parker, Morrison and Ismail, 2003; Richardson and Crompton, 1988; Rittichainuwat, Qu and Brown, 2001; Santos, 1998; Schneider and Sönmez, 1999; Shanka and Frost, 1999; Stepchenkova and Morrison, 2008; Sönmez and Sirakaya, 2002; Tapachai and Waryszak, 2000; Vaughan and Edwards, 1999;

Waitt, 1996; Walmsley and Young, 1998), **state level** (Ahmed, 1991, 1996; Chen and Kerstetter, 1999; Crompton and Duray, 1985; Gartner, 1986, Gartner, 1989; Gartner and Hunt, 1987; Goodrich, 1978; Hunt, 1975; Leisen, 2001; Nickerson and Moisey, 1999; Reilly, 1990; Uysal, Chen and Williams, 2000; Vogt, Andereck, 2003), **province level** (Crompton, Fakeye and Lue, 1992; Day, Skidmore and Koller, 2002; Fakeye and Crompton, 1991; Ross, 1993; Mackay and Fesenmaier, 2000; McClennan, 1998; Milman and Pizam, 1995), **county level** (Jensen and Korneliussen, 2002), **city level** (Botha, Crompton and Kim, 1999; Bramwell and Rawding, 1996; Chacko and Fnich, 2000; Chi and Qu, 2007; Choi, Chan and Wo, 1999; Chon, 1992; Chon, Weaver and Kim, 1991; Dagostar and Isotalo, 1992; Joppe, Martin and Waalen, 2001; Jutla, 2000; Kim, Crompton and Botha, 2000; Laaksonen, Laaksonen, Borisov and Halkoaho, 2006; Murphy, Pritchard and Smith, 2000; Oppermann, 1996a, 1996b), **resort level** (Phelps, 1986; Silberman, 1985; Vaughan and Edwards, 1999; Walmsley and Jenkins, 1993) and at **attraction level** (Alhemoud and Armstrong, 1996; Coshall, 2000). A couple of studies compare different types of destinations (Goodrich, 1978; Reisenger and Turner, 2000; Vaughan and Edwards, 1999). As can be seen from this literature review, the most number of studies have been conducted at the country level, followed by city, resort, state, province, attraction and county level.

Destination image can be investigated at three different stages; pre-visit, during visit and post-visit. Most studies investigate the image people have before they visit a destination (pre-visit) (Baloglu and McCleary, 1999a; Echtner and Ritchie, 1993; Gartner, 1989; Goodrich, 1978; Hunt, 1975; Leisen, 2001; MacKay and Fesenmaier, 2000; Rezende-Parker, Morrison and Ismail, 2003; Stepchenkova and Morrison, 2008; Sönmez and Sirakaya, 2002; Walmsley and Young, 1998). Fewer studies have examined the image people have when they are at the destination (Beerli and Martín, 2004; Haahti and Yavas, 1983; Ross, 1993; Vogt and Andereck, 2003). The image people have of destinations after their visit has been examined by questioning travelers when they are at the international airport waiting to fly home (Calantone, Benedetto, Hakam and Bojanic, 1989; Kozak, 2001; Rittichainuwat, Qu and Brown, 2001). According to Tasci and Gartner (2007), more studies on during and post-visit are needed. The results of Echtner and Ritchie (1993) and Rezende-Parker, Morrison and Ismail (2003) suggest that tourists that have not visited a destination have a fragmented and unclear image of it. The results of Vogt and Andereck (2003) suggest that destination perceptions change during the course of a vacation because tourists learn about a destination and become more experienced. O´Leary and Deegan (2005) measured the difference between pre-visit and post-visit image of Ireland visitors from France had and their results suggest that

the experience French tourist gained in Ireland changed their image of the destination from one that was more based on stereotypical image to a more accurate image based on real facts.

The difference between the image held by people who have visited a particular destination and that held by people who have never visited the destination has also been investigated (Baloglu and McCleary, 1999b; Fakeye and Crompton, 1991; Milman and Pizam, 1995). The results of all of these studies suggest that visiting a destination changed the image people had about the destination. When examining the image of central Florida, Milman and Pizam (1995) found out that people who had previously visited the destination had a more positive image of it and were more likely to revisit it than people who had never visited central Florida.

One study has investigated the change in image of a destination over a period of time. Gartner and Hunt (1987) investigated the change in the image of the state of Utah over a twelve year period and found out that the image had changed and was more positive in 1983 than in 1971. They suggested that advertising, media accounts and conversations with friends and family were all image change agents. Their results also indicate that image changes slowly.

4.5   Destination image and its relationship to other variables

Some destination image studies investigate the relationship between variables in an attempt to clarify the image formation process and/or the effect of image.

Sociodemographic factors such as age (Alhemoud and Armstrong, 1996; Baloglu, 1997, 2001; Husbands, 1989; MacKay and Fesenmaier, 1997; Rittichainuwat, Qu and Brown, 2001; Walmsley and Jenkins, 1993), gender (Baloglu, 2001; Chen and Kerstetter, 1999; MacKay and Fesenmaier, 1997; Walmsley and Jenkins, 1993), education (Husbands, 1989) and income (Baloglu, 2001) have been investigated. According to Baloglu and McCleary (1999a), age and education apper to be the major determinants of image, among the sociodemographic varibles. Region of residence (Hunt, 1975), origin of visitors (Joppe, Martin and Waalen, 2001), time spent at a destination (Crompton, Fakeye and Lue, 1992; Fesenmaier and Mackay, 1996) and distance from the destination are commonly found to be correlated with image (Gallarza, Gil and Calderón, 2002; Tasci, Gartner and Cavusgil, 2007). Fakeye and Crompton (1991) found that long-stay tourists scored higher on some image dimensions than short-stay tourists.

Based on this overview, these hypotheses will be put forth:

H_1: Image differences for Iceland as a tourist destination will be recognizable between different age groups and different nationalities.

H_2: People who have visited Iceland before will have a different image of Iceland as a tourist destination than people who are there for the first time.

H_3: People who have stayed in Iceland for more than one week will have a different image of Iceland as a tourist destination than people who have been there for less than one week.

4.5.1 Quality, satisfaction and loyalty

People evaluate the quality of a product or a service based on the expectation they had before they consumed it (Spreng, MacKenzie and Olshavsky, 1996). Individual traveler´s satisfaction or dissatisfaction with a travel purchase depends for the most part on a comparison of his expectation about the destination offerings and his perceived performance of the destination offerings (Chon, 1990). In the tourist field, the concepts quality of performance and satisfaction (quality of experience) has different meanings. Quality of performance refers to the attributes of a service controlled by the tourism supplier. Evaluation of this quality is based on a tourist´s perception of the supplier´s performance. On the other hand, satisfaction refers to the emotional state of the tourist after he has experienced the service. The satisfaction can be influenced by events (climate, social group interaction) that are beyond the supplier's control. So higher perceived quality of the supplier´s controllable attributes are likely to result in a higher level of visitor satisfaction. In the marketing literature it is now also generally believed that quality leads to satisfaction (Baker and Crompton, 2000). Overall satisfaction and attribute satisfaction are related but different concepts (Chi and Qu, 2008). Attribute satisfaction is the tourist´s satisfaction with different tourist products at the destination such as hotels, restaurants or attractions and overall satisfaction is the satisfaction with the whole destination experience (Chi and Qu, 2008; Ibrahim and Gill, 2005; Kozak and Rimmington, 2000).

It is generally believed that satisfied customers are more likely make a repurchase. Recently loyalty has been seen as a better predictor of actual behavior. The concept of loyalty and customer retention are related. It has been suggested that keeping existing customers is cheaper and more profitable than attracting new customers (Zeithaml and Bitner, 1996). In relation to tourism, satisfaction with travel experiences can contribute to destination loyalty (Chi and Qu, 2008). Destination loyalty behavior refers to the tourist´s willingness to revisit

the destination or be willing to recommend the destination to other people, which can be considered a form of word of mouth advertising (Oppermann, 2000).

A few studies have tested a model to verify the connections image has with quality, satisfaction and loyalty (e.g. Bigné, Sánchez og Sánchez, 2001 and Chi and Qu, 2008). Bigné, Sánchez og Sánchez (2001) studied the image tourists in two major Spanish tourism towns in the Valencia region had about the destinations and the image´s relationship to tourists´ behavior and post-consumption evaluation on the stay. Intention to return and willingness to recommend the destination were the behavior variables, and perceived quality and satisfaction were the variables used for the post consumption evaluation. The authors´ path analysis indicates that it is the image that determines quality and the visitors' satisfaction and it´s also the image that determines whether people recommend the destination to others and their intention to return. Furthermore perceived quality influences the likelihood of returning and satisfaction influences the willingness to recommend the destination to others. The study could neither confirm if satisfaction is a determining factor in the intention to return or if perceived quality determines willingness to recommend the destination to others (Bigné, Sánchez og Sánchez, 2001).

Chi and Qu (2008) examined a model that researched the relationship between destination image, tourist attribute satisfaction, overall satisfaction and destination loyalty. The authors´ results indicate, among other things, that tourist overall satisfaction is determined by image and attribute satisfaction and destination loyalty is influenced by overall satisfaction. So higher tourist satisfaction will lead to higher destination loyalty which can influence tourists to visit the destination again and/or recommend it to others.

Kozak (2001) proposed a model of multiple relationships among tourist satisfaction, previous visits and behavioral intention to revisit. His results indicated that overall satisfaction and the number of previous visits influenced the intention for a repeat visit.

Several studies have examined the relationship between destination attributes and satisfaction (e.g. Baker and Crompton, 2000; Joppe, Martin and Waalen, 2001; Kozak and Rimmington, 2000; Ross, 1993). Ross (1993) studied the ideal and actual image backpacker tourists have about Northern Australia in relation to a number of attributes. He found associations between enjoyment levels and degree of friendliness of locals, varied physical environment and accommodation. Visitors who found their trip more enjoyable than expected rated the friendliness of locals highest and those visitors that found their trip less enjoyable than expected were associated with the most negative ratings on the friendliness of locals. The image involving resident friendliness was also found to be related to positive destination

evaluation, plans to return in the future and willingness to recommend the destination to family and friends.

Based on this overview, these hypotheses will be put forth:

H_4: There will be a connection between people's likelihood of returning to Iceland as a tourist in the next 1-5 years and people's willingness to recommend Iceland to families as friends as a tourist destination.

H_5: More people will find their trip to Iceland to be more enjoyable than expected than people who will find their trip to be less enjoyable than expected.

4.6 Destination image measurement

The image of destinations has been measured both with qualitative and quantitative methods. Until the 1990s, few studies were done with qualitative methods (Pike, 2002). Studies measuring only the cognitive component of the destination image use solely quantitative methods with structured lists of the attributes during the main data collection stage. Studies measuring affective and cognitive components use both quantitative and qualitative methods (Tasci, Gartner and Cavusgil, 2007). Echtner and Ritchie (1991) refer to a questionnaire, which measures destination image attributes and uses statistical techniques to get the image results, as a structured method. They refer to methods where respondents are allowed to freely describe their views and impressions about the destination as unstructured. The difference between these methods is that the structured method only measures the attribute side of image while the unstructured methods measure the holistic side of image. In these authors´ view, using open-ended questions, although a quantitative method, is categorized as an unstructured method along with focus groups, content analysis and repertory grid analysis. The dominance of structured techniques in image research has led to the use of verbal over visual techniques in research (Jenkins, 1999).

According to a model about how to study destination image made by Jenkins (1999), it is suggested that future research be based first on sound qualitative research to find the relevant constructs and then, in the quantitative phase, take into account the level of importance of these constructs to the target market.

4.6.1 Qualitative methods

Few studies use only qualitative methods as the main technique (e.g. Dann, 1996; Reilly, 1990). Studies measuring destination image attributes (the cognitive component) sometimes

use qualitative methods to find which attributes to use. This can be done with focus groups, content analysis or free elicitation (Jenkins, 1999). Interviews and focus groups are used to elicit the construct and attributes that are developed into Likert and semantic differential scales to be rated in a quantitative manner (Tasci, Gartner and Cavusgil, 2007). One of the first studies to use qualitative method (elicitation) was made by Crompton in 1979 (Jenkins, 1999). Crompton investigated the perception of Mexico by American students and used content analysis of travel brochures and interviewed 36 students to find out the attributes to use (Jenkins, 1999).

Content analysis is an analysis made on written material such as previous studies on destination image, guidebooks or travel brochures. Content analysis can also be done on visual information, including photographs in travel brochures (Jenkins, 1999).

Personal interviews have been used to find out what attributes to use by talking to experts in the tourism sector (e.g. Beerli and Martín, 2004; Echtner and Ritchie, 1993; Haahti and Yavas, 1983) and also by interviewing travelers. Ryan and Cave (2005) interviewed tourist in their study about the image of Auckland, New Zealand, as a destination. The authors took 20-45 minute interviews with travelers in cafes and restaurants in Christchurch and Wellington, wrote them up and found common themes. The results were shown as an image map. Other studies that have used interviews to find out the image of destinations are for example Bramwell and Rawding (1996) and Fakeye and Crompton (1991).

Focus groups are often used to probe and discover underlying themes that can be used in later stages of a study, which was the case with Laaksonen, Laaksonen, Borisov and Halkoaho (2006) in their study of the image of Vasa in Finland and Fakeye and Crompton´s (1991) study of the image of Arizona in USA. Other studies that have used focus groups to find out the image of destinations are for example Chen and Kerstetter (1999), MacKay and Fessenmaier, (1997), Milman and Pizam (1995), Murphy (1999), Rezende-Parker, Morrison and Ismail (2003) and Tapachai and Waryszak (2000).

Free elicitation (e.g. Dann, 1996; Echtner and Ritchie, 1993; Embacher and Buttle, 1989; Reilly, 1990) is a technique were participants make word associations (Jenkins, 1999) or get a chance to respond with their own words to questions rather than responding to prescribed attributes (Reilly, 1990). One form of free elicitation is open-ended questions (e.g. Choi, Chan and Wu, 1999; Echtner and Ritchie, 1993; Rezende-Parker, Morrison and Ismail, 2003; Reilly, 1990; Stepchenkova and Morrison, 2008), where participants answer questions such as:

"What three words best describe the state of Montana as a destination for vacation or pleasure travel?" (Reilly, 1990: 22)

This method is convenient to use in the beginning of an image measurement phase as a first response from participants. An advantage of this technique is that it can measure whether an image of a destination is weak or lacking. The disadvantage is that because of quick responses from participants, this method draws out a stereotypical image (Jenkins, 1999; Reilly, 1990).

Triad elicitation is a technique where the participant is given three destinations and is asked to compare them and explain what makes two of these destinations different from the third one (Hankinson, 2004; Jenkins, 1999). For example, when asked to compare London, Tokyo and Sidney, a participant might say that in London and Sidney the inhabitants speak English while Tokyo is different because its inhabitants speak Japanese (Jenkins, 1999). The triad elicitation is continued until no new comparisons can be made (Hankinson, 2004; Jenkins, 1999). One triad elicitation is known as repertory grid analysis (e.g. Coshall, 2000; Embacher and Buttle, 1989; Hankinson, 2004; Pearce, 1982; Wamsley and Jenkins, 1993). The technique´s structure can be seen visually in figure 4-6.

	Bath	Brighton	Bristol	Eastbourne	Edinburgh	Guildford	Liverpool	
Historical								Industrial
Touristic								Non-tourist
Modern								Older city
Business								Leisure
Conference venue								Non-conference venue

Figure 4-6. Repertory grid for measuring the image of British cities (Hankinson, 2004)

It is a measuring device where George Kelly´s theory of personal constructs is put into operation. Central to the technique are elements and constructs. Elements are the objects under investigation (destinations) and constructs are the attributes that participants associate with the destinations (Coshall, 2000; Hankinson, 2004).

4.6.2 Quantitative methods

With quantitative methods, various common image attributes are found and incorporated into a standardized instrument. Then respondents rate the destination on those attributes (Jenkins,

1999). The number of attributes used can range from ten to more than fifty (Echtner and Ritchie, 1991, 1993; Tasci, Gartner and Cavusgil, 2007). The most common quantitative method is to use a questionnaire with a bipolar semantic differential scale or a Likert scale (Echtner and Ritchie, 1991). In their most common forms, the semantic differential and Likert scales are five, seven or ten point scales (Menezes and Elbert, 1979). The seven-point Likert scale is the most commonly used (Gallarza, Gil and Calderón, 2002).

A semantic differential scale has an adjective on both sides of the scale that are opposite of each other (Menezes and Elbert, 1979). Figure 4.7 shows an example of a semantic differential scale.

Wide selection	____ :	____ :	____ :	____ :	____ :	____ :	Limited selection
Less known brands	____ :	____ :	____ :	____ :	____ :	____ :	Well known brands
High quality	____ :	____ :	____ :	____ :	____ :	____ :	Low quality

Figure 4-7. Semantic differential scale measuring a retail store image (Menezes and Elbert, 1979)

Likert scales require respondents to indicate a degree of agreement or disagreement with each of several items (Menezes and Elbert, 1979). Figure 4.8 shows an example of a Likert scale.

	Stongly agree	Generally agree	Moderately agree	Moderately disagree	Generally disagree	Strongly disagree
Selection is wide	_____	_____	_____	_____	_____	_____
Brands are less known	_____	_____	_____	_____	_____	_____
Quality is high	_____	_____	_____	_____	_____	_____

Figure 4-8. Likert scale measuring a retail store image (Menezes and Elbert, 1979)

In a comparison study done on semantic differential and Likert scales for the measure of a retail store´s image, the assessment of scale leniency, precision and validation for the scales were conducted. The conclusion was that both these scales showed the same results, so they can be used interchangeable (Menezes and Elbert, 1979).

In the statistical analysis phase, the prevailing methodologies are a combination of multivariate (factor analysis, multidimensional scaling, cluster analysis, ANOVA) and bivariate techniques (t-test). Multivariate techniques are more common because they allow for determination of the hidden multidimensional structure of destination image (Gallarza, Gil and Calderón, 2002). From all the multivariate methods, the most commonly used are information reduction techniques such as multidimensional scaling and factor analysis (correspondence analysis, principal component analysis and factor analysis) (Gallarza, Gil and Calderón, 2002; Jenkins, 1999).

One of the first image studies to be conducted was made by Hunt in 1975 (Pike, 2002). In his study he measured the image of four US states with a questionnaire on a semantic differential scale. The statistical analysis was done with descriptive techniques (percentages, averages and standard deviations) (Hunt, 1975). According to Goodrich (1978) descriptive statistical analysis had been the main form of showing the results of destination image research, before his study.

> "While these simple statistical methods are fundamental to analysis of perceptual or image data, they suffer from a major shortcoming. It is difficult and cumbersome to make comparative analysis of images of several tourist-attracting regions by comparing many statistical averages, percentages, and so on, of respondents´ answers to survey questions. This tedious problem can, however, be solved through multidimensional scaling (MDS) of image data." (1978:3)

Goodrich (1978) was one of the first researchers to use a multidimensional scaling program in statistical analysis, to investigate the image of destinations (Gartner, 1996). He measured the image of nine destinations with ten attributes and used Kruskal´s MDSCAL 5 program to study the results. More studies followed using similar programs to show the image of a destination or the image difference between competing destinations in a multidimensional form (e.g. Baloglu and Brinberg, 1997; Calantone, Benedetto, Hakam and Bojanic, 1989; Gartner, 1989; Haahti and Yavas, 1983; Kim, 1998; MacKay and Fesenmaier, 2000; Manrai and Manrai, 1993; Murphy, 1999; Phelps, 1986; Uysal, Chen and Williams, 2000; Yau and Chan, 1990). A detailed description of multidimensional scaling will be presented in the next section.

Later, factor analysis came to be the dominant form for showing the results when measuring the image of destinations according to predetermined attributes (Pike, 2002) (e.g. Ahmed,1991, 1996; Baloglu, 1997; Baloglu and McCleary, 1999; Calantone, Benedetto, Hakam and Bojanic, 1989; Choi, Chan og Wu, 1999; Crompton, Fakeye and Crompton, 1991; Fakeye and Lue, 1992; Echtner and Ritchie, 1993; Konecnik, 2004; Oppermann, 1996a, 1996b; Rezende-Parker, Morrison og Ismail, 2003; Rittichainuwat, Stepchenkova og Morrison, 2008; Wamsley and Young, 1998).

Another method for statistical analysis of data is importance-performance analysis (IPA) (e.g. Chon, Weaver and Kim, 1991; Crompton and Duray, 1985; Laaksonen, Laaksonen, Borisov and Halkoaho, 2006; Pyke and Ryan, 2004; O´Leary and Deegan, 2005;

Uysal, Chen and Williams, 2000). The visual structure of the method can be seen in figure 4-9.
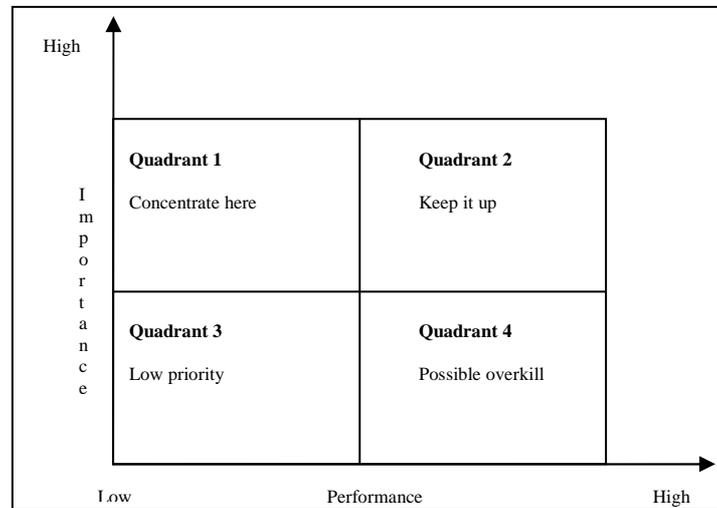

Figure 4-9. Importance-performance analysis grid (O´Leary and Deegan, 2005)

The technique identifies the strengths and weaknesses of an object in terms of two dimensions. The first is importance of attributes tourists rely on in their evaluation of a destination and the second is the tourists´ assessment of the performance of the destination in terms of these attributes. Important and performance scores for each attribute is calculated (mean scores). Then these scores are plotted on the IPA grid and sorted into a four cell typology, according to each attribute score, on their importance and performance, ranging from low to high (O´Leary and Deegan, 2005).

4.6.3 Multidimensional scaling

Perceptual mapping techniques were first developed to map psychological measurements of how people perceive objects. Because both perception and preferences influence customer behavior, multidimensional scaling (MDS) methods were adapted by marketers to study consumers´ perceptions and preferences for a set of entities on a map or graph. These entities can be, for example, brands, company logos, department stores, presidential candidates (Lilien, Rangaswamy and De Bruyn, 2007), organizations or websites (Gudlaugsson, 2003). Preference maps enable decision makers to summarize and visualize key elements of the market structure for their products or service and can be used to support new product decisions, to view the position of products, for competition analysis and image and reputation studies (Lilien and Rangaswamy, 2003). Multidimensional scaling can be calculated with a

number of computer statistical techniques programs. Popular MDS program are INDSCAL, PREFMAP, MDPREF and TOSCA (Goodrich, 1978). They reduce data to make them more manageable and meaningful and they also show graphically the underlying structure or dimensions of empirically obtained data as perceptual and/or preference data (Gartner, 1989; Goodrich, 1978).

MDPREF is an attribute based statistical program that extracts information about underlying constructs from a data matrix consisting of customer perception on attributes with factor analysis. The data put into the program are averages across customers and is thus an average perception. Factor analysis attempts to condense the data into a smaller set of underlying constructs with minimal loss of the information contained in the data matrix. Each factor explains a proportion of the total variance. A good factor analysis solution explains a significant proportion of the variance associated with each original attribute. If the variance of any attribute is poorly recovered by the retained factors, going to a higher dimension is indicated, although two or three dimensional maps are the most common (Lilien, Rangaswamy and De Bruyn, 2007).

The distance between offerings on a map indicates their perceived similarities. Thus offerings that are closer together are perceived as similar (maybe competitors) and offerings that are farther apart are perceived as different. The length of an attribute line indicates the variance in that attribute explained by the perceptual map. So, the longer the line, the greater the importance of that attribute in differentiating among offerings in the market. To position an offering on any attribute on a map, an imaginary perpendicular line is drawn from the offering to the attribute. The farther an offering is from the origin (the middle) along the direction of that attribute means that the rating for that offering on the attribute is higher. The attribute lines on a perceptual map indicate the direction in which an attribute increases while moving away from the origin (middle) along that line. These attribute lines can also be interpreted in an opposite direction. The map also shows the relationship between attributes. The smaller the angle between any two attribute vectors means that they are more correlated with each other. The axes (X and Y) of a perceptual map are the dimensions (composite attributes) along which customers tend to discriminate an offering. So attributes that are aligned close to each axis provide clues to the meaning of that axis. The variance explained by each axis indicates the relative importance of that axis for explaining customer perceptions (Lilien and Rangaswamy, 2003).

Figure 4-10 shows an example of a perceptual map done in the MDPREF program for nine destinations, based on research by Goodrich (1978).
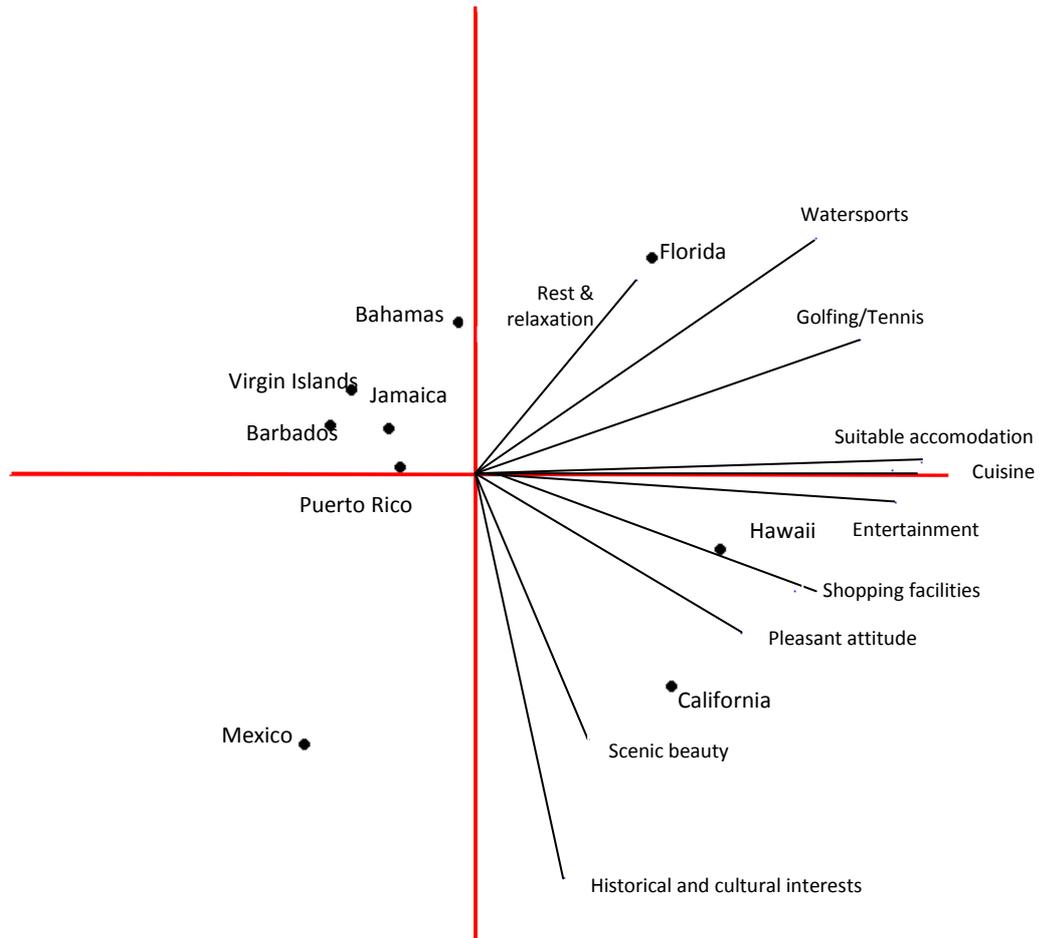
Figure 4-10. Perceptual map for nine destinations (Goodrich, 1978)

The Bahamas, Virgin Islands, Barbados, Jamaica and Puerto Rico are all positioned close together on the map, which indicates that they are competitors and offer the same attributes. Mexico is situated in the lower left corner of the map and has no competitors. Hawaii and California are positioned relatively close together and thus have a relatively similar image in the minds of people. Hawaii has the strongest connection with the attributes "entertainment" and "shopping facilities" and California has the perceived image in peoples´ minds to have scenic beauty and a pleasant attitude. The attributes "suitable accommodation" and "cuisine" have a small angle between them, which means that people see these two attributes to be one and the same. If the researcher had known this beforehand he could have integrated them and created a single attribute that could for example be named "good hotels". Florida, which is situated in the middle of the upper right quadrant is considered to offer the attribute "rest and relaxation" and the attribute "water sports" is not far off. Since the attribute vector "rest and relaxation" is not that long, it can be interpreted that people don´t consider this attribute to be important when differentiating between destinations. Finally the map shows that if the

attributes "shopping facilities" and "pleasant attitude" are drawn in opposite direction, they would hit the Caribbean islands that are clustered together. This means that people don´t think that these destinations offer shopping facilities and pleasant attitude.

5   Branding

In this chapter, the concept brand will be studied and its relationship to image clarified. First there are some general discussions about what brand is, followed by a chapter on nations as brands. Later the branding of destinations will be examined, some literature that describe the strategies destination have used to brand themselves will be mentioned and finally some strategic points on how to brand a destination will be described.

A brand can be defined as:

> "A name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers. The legal term for brand is trademark. A brand may identify one item, a family of items, or all items of that seller. If used for the firm as a whole, the preferred term is trade name." (American marketing association, 2008)

A brand can be looked at from an organizational perspective and from a consumer perspective. Companies brand their products to differentiate them from other products and to add value to them (Anholt, 2003; Keller, 1993; Kotler and Gertner, 2002). Consumers buy branded products because they give information about product quality (Rao and Ruekert, 1994). But quality is not the only thing that consumers look for. People also buy branded products because brands help people express their emotions, personalities and roles (Anholt, 2003; De Chernatony and McWilliams, 1989; Kotler and Gartner, 2002). A brand, as seen by the consumer perspective, has brand equity (Keller, 1993). Consumer based brand equity is:

> "The differential effect of brand knowledge on consumer response to the marketing of the brand." (Keller, 1993: 2)

It occurs when consumers are familiar with a brand and have some strong positive and unique associations about it in their memory. Brand equity is comprised of differential effects, knowledge and response to marketing. Differential effects happen when consumers compare the marketing of a brand to the marketing of a similar version of a product or a service. Knowledge is defined in terms of brand awareness and brand image and marketing responses are consumers perceptions, preferences and behavior in response to the brands marketing mix. In general, high levels of brand awareness and a positive brand image should increase the possibility that consumers choose the brand and stay loyal to it (Keller, 1993). Brand personality is a key component of an effective brand since it may be the basis for the

product´s differentiation. Brand personality can be associated with the way a consumer views the characteristics of the typical user of the brand, the company´s employees or product endorsers. Brand personality can also be perceived through product related attributes, product category associations, symbol, logo, advertising style, price or distribution channel (Murphy, Moscardo, Benckendorff, 2007). Researchers agree that although image is different from branding, branding is created through image (Cai, 2000; Jensen and Korneliussen, 2002: Kotler and Gertner, 2000; Pritchard and Morgan, 2001; Tasci and Gartner, 2007).

5.1   Branding nations

Nation branding has been around at least since the time of Napoleon Bonaparte. Many people detest to the notion of nation branding because it appears to have superficial implications which are unworthy of the national idea (Olins, 2002). According to Kotler and Gertner (2002), country names amount to brands and help consumers evaluate products and make decisions. Countries as brands are multidimensional. Countries can be branded through, for example, tourism and art and through sports teams and sporting events (Dinnie, 2004; Papadopoulos and Heslop, 2002). Some national brands are flag carriers, a source of national confidence and self-esteem. For example, Nokia´s technological and marketing success makes Finns feel good about themselves and their country (Dinnie, 2004). Kotler and Gartner (2002) suggest that nations should build one umbrella concept to cover all of the country´s separate branding activities. However, it is possible that different groups could have interests that don't go hand in hand and can´t be incorporated into the same brand, as is the case with whaling and tourism in Iceland (Gudjonsson, 2005).

The point behind branding a nation is to improve its image by using coordinated marketing strategy and a brand that will evoke a positive reaction and improve people's opinion of a country (Prime Minister´s Office, 2008). According to Anholt (2006a), the national brand is an important concept in today´s competitive world when nations are competing for tourists, consumers, donors, immigrants, the media and governments of other countries.

Anholt (2006a) has developed an index to measure the power and appeal of the image of countries as brands. His index is supposed to indicate how consumers around the world see the character and personality of the brand across six dimensions, which together make up the Nation Brand Hexagon. The Hexagon and its six dimensions can be seen in figure 5-1.
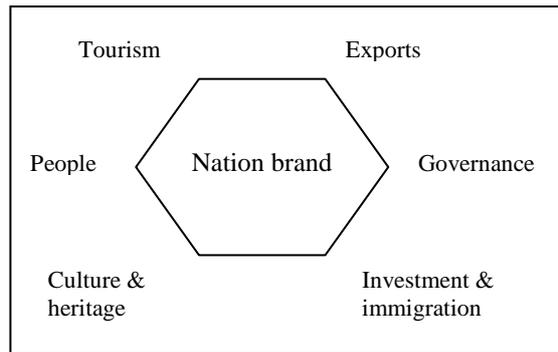
Figure 5-1. The Nation Brand Hexagon (Anholt, 2006a)

Tourism is one of the dimensions of a national brand. The index´s result is based on answers from 25.000 people in 35 countries. The index can also be applied to wider concepts than nation states. Anholt (2006a) has for example tried to measure the image of Europe and according to his findings, it is mostly favorable.

5.2   Tourist destinations as brands

Many scholars agree that destinations can be branded (Anholt, 2003; Cai, 2002; Konecnik and Gartner, 2007; Kotler and Gertner, 2002; Olins, 2002). Since destinations effectively compete with each other for a place in the mind of consumers, a brand name could be a significant factor when consumers make a decision about which destination to choose (Tasci and Kozak, 2006).

Destination branding includes a strategic mix of brand elements to identify and distinguish a destination. These elements can include terms, names, signs, logos, designs, symbols, slogans, color, packages, architecture, typography, photographic styles, heritage, language, myths and legends (Cai, 2002; Tasci and Kozak, 2006). For the majority of destinations, a slogan is necessary for its brand positioning strategy. Since places are becoming substitutable and more difficult to differentiate, the slogan provides the link between the brand identity and the actual brand image held in the market. Some slogans attempt to cover everything, such as:

"Kenya – creation´s most beautiful destination, all in one country" and "Ohio – so much to discover" (Pike, 2005: 258-259)

Fewer destinations achieve a focused slogan, such as:

"Arizona – Grand Canyon state" or "Snowy mountains – Australia´s high country" (Pike, 2005: 258-259).

Pike (2005) wonders if one slogan is likely to be meaningful to all market segments. Visual image or symbols can also play a role when destinations are branded, for example the Eiffel Tower in Paris, Big Ben in London or the Statue of Liberty in New York (Kotler and Gertner, 2002). Local inhabitants must have a say in how their country/region/city is branded. The host population should feel that the destination brand also represents their sense of place (Pike, 2005).

The World Tourism Organization has recognized that people have a tendency to see tourism destinations as a fashion accessory, referring to that notion that people travel to destinations as a way to define their identities (Caldwell and Freire, 2004; Clarke, 2000). They communicate this identity for example by sending postcards home and buying souvenirs. This could have an influence on the popularity of destinations. So image and destination branding could influence how fashionable destinations are considered by tourists.

Konecnik and Gartner (2007) have proposed that customer based brand equity for a destination is composed of the four dimensions of awareness, image, quality and loyalty, while accepting that image is a core concept in branding. However, they write, when the name of a destination becomes known, this image devolves into brand dimensions and is overshadowed by a brand.

Brand alliances for products have been recommended (see for example Rao and Ruekert, 1994) and it has been investigated if rural destinations inside a country with geographical and cultural proximity could cooperate in branding the area. Cai (2002) found out that rural destinations could benefit from cooperation because a single community would have a limited drawing power.

"Greater drawing power with an appealing brand name supported by consistent image building will allow communities to develop unique and distinct brand identities and establish clear and competitive positions in the rural tourism marketplace." (Cai, 2002: 738-739)

It would be interesting to see if this kind of cooperation could also apply across nations.

According to Caldwell and Freire (2004), branding a country needs a different strategy and marketing objectives than branding a region or a city. A number of countries have been successful in using their image and branding the country as a tourist destination, for example Spain, Switzerland, Ireland and New Zealand (Prime Minister´s Office, 2008).

Spain´s (Gimore, 2002) and New Zealand´s (Lodge, 2002; Morgan, Pritchard and Piggott, 2001; Morgan, Pritchard and Piggott, 2003) success has for example been described in the branding literature. Studies about destination branding have also been done on Singapore (Henderson, 2007), Armenia (Pant, 2005), Wales (Pritchard and Morgan, 2001), Slovenia (Konecnik, 2004; Konecnik and Gartner, 2007) and Croatia (Martinovic, 2001). These countries´ strategies could help Iceland to evolve its positioning and branding strategy.

The failure to establish and agree on adequate selection criteria for a brand strategy is a frequent mistake according to Anholt (2006b). He suggests a simple six point model for evaluating any branding strategy or creative idea. According to the model, the strategy has to be:

- Creative (surprising, arresting, memorable).

- Ownable (uniquely and unarguably about the place and not anywhere else).

- Sharp (highly focused, not generic, telling a very specific and definite story about the place rather than a bland catch-all phrase).

- Motivating (clearly pointing people towards new and different behaviors within government, the private sector and civil society that will lead to a changed image).

- Relevant (a meaningful promise to the consumer).

- Elemental (simple, usable, practical and robust enough to be meaningful to many people in many situations over a very long period, and to be practically implementable within the context of each stakeholder´s day-to-day business and private objectives). (Anholt, 2006b: 101-102).

The main purpose of these criteria is to ensure that the vision for the brand is compelling and motivating enough to drive the host community as well as existing and future target markets to see the place in an entirely new and more productive way (Anholt, 2006b).

6   Secondary data about Iceland

This chapter will discuss some secondary data about Iceland as a tourist destination. To begin with, the reason behind the comparison countries that were chosen will be explained. Then, data about the number of tourist visiting Iceland during summer months by country of origin will be shown and finally some data about the image of Iceland will be discussed.

6.1   Iceland and the comparison countries

To be able to generate a perceptual map and see how Iceland is positioned in the minds of tourists, it is necessary to compare Iceland to other countries that are potential competitors as tourist destinations. Many possibilities were looked at and eventually it was decided that five countries were sufficient for reference. Figure 6-1 shows what other destinations tourists surveyed in Iceland in 2004 had also considered visiting before they decided to come to Iceland (Icelandic Tourist Board, 2004a).
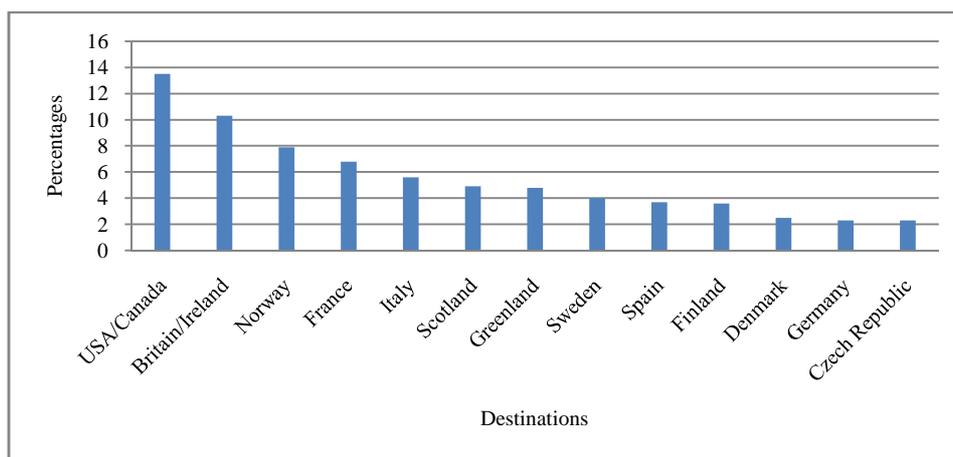

Figure 6-1. Other destinations that came to mind (Icelandic Tourist Board, 2004a)

Apart from the Faroe Islands and Greenland, which had already been chosen, the other destinations chosen for comparison were based on this survey. They were Norway, Scotland and Finland. The main reason behind the selection of these countries was that these destinations are geographically close to Iceland.

6.2   Tourists in Iceland during summer months

Figure 6-2 shows the number of tourists that came to Iceland during the summer months May-August 2007 categorized by generating countries (Icelandic Tourist Board, 2008b).
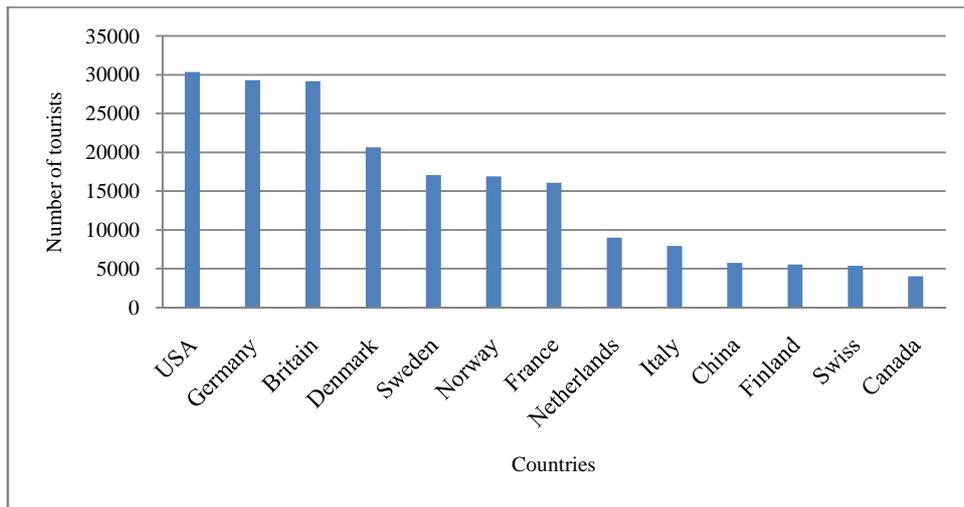
Figure 6-2. Tourist in Iceland from May-August 2007 (Icelandic Tourist Board, 2008b)

As the figure shows, the largest number of tourists came from the USA, Britain and Germany. It will be interesting to see if the sample for the attribute image survey has the same tourist ratio as this figure shows.

6.3   The image of Iceland

According to the report done for the Prime Minister's Office (2008) the image of Iceland is generally positive but very weak and small abroad. Iceland seems to be an unknown figure and the image of the country mainly consists of experience foreigners have about the country´s nature, but is not based on the image of its people, culture or industries.

According to a survey done by the Icelandic Tourist Board in the summer of 2004, the description that foreign travelers leaving the country most commonly gave of Iceland was "clean and unpolluted nature", followed by the description "unique nature adventure". The statistics for these and other descriptions can be seen in figure 6-3.
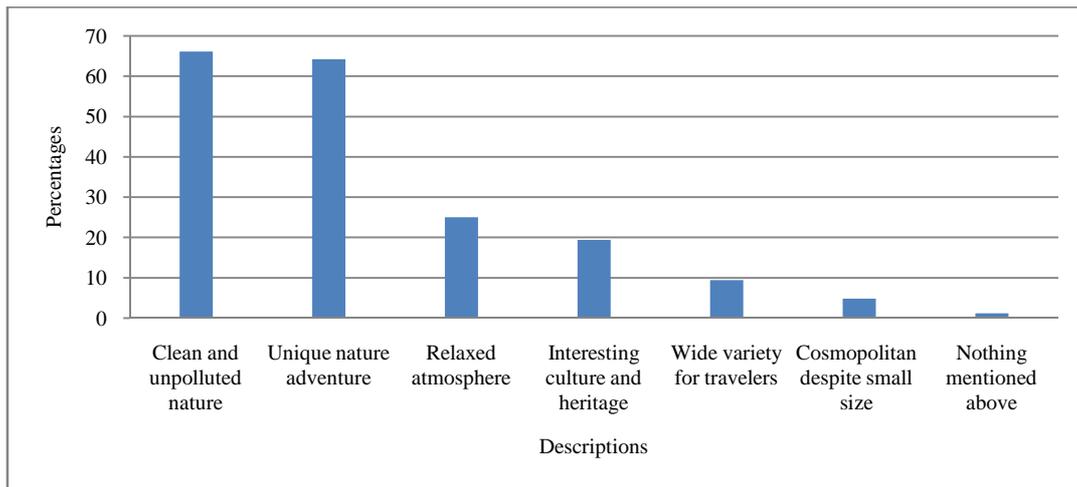
Figure 6-3. What describes Iceland best? (Icelandic Tourist Board, 2004b)

In this same survey (Icelandic Tourist Board, 2004), travelers were asked where the idea to visit Iceland had come from. The results can be seen in figure 6-4.
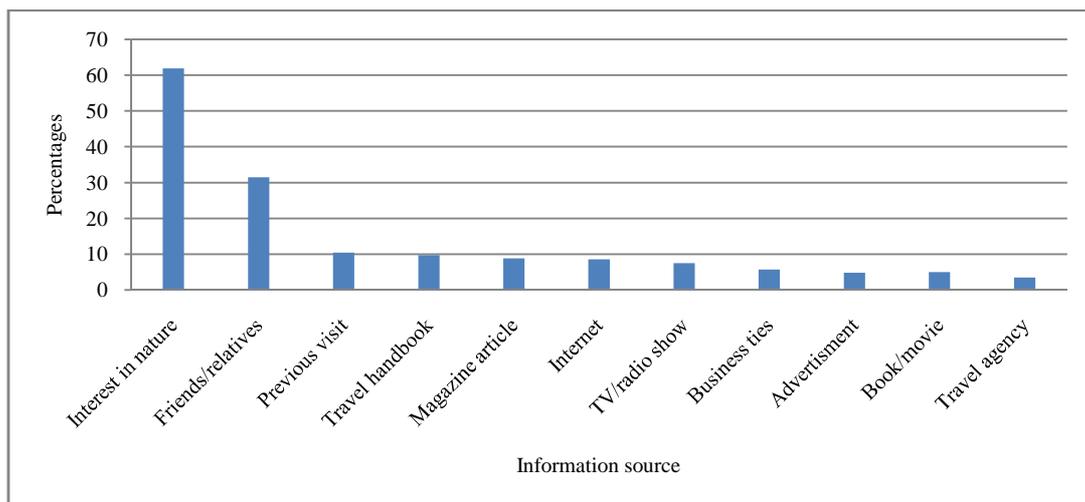

Figure 6-4. Where did the idea to visit Iceland come from? (Icelandic Tourist Board, 2004b)

The four largest groups are all organic information groups, so what affected people who came to Iceland and influenced their image of the country to begin with did not come from the destination but from sources outside of the country´s influence.

The results from the survey done on the influence of whaling on Iceland as a tourist destination imply that whaling hasn´t had a negative effect on the image of Iceland as a travel destination in the short run, but the long term effects are unknown (Prime Minister´s Office, 2008).

Surveys done for the marketing project Iceland Naturally in North America indicate that people connected Iceland more with nature, culture and purity in 2006 than they did in

the year 1999, when the first survey was done. Then most people connected Iceland with ice and snow. Results from 2006 also indicate that Americans are now more interested in Icelandic products and Iceland as a tourist destination (Prime Minister´s Office, 2008).

In the report "The image of Iceland – strength, status and policy" (Prime Minister´s Office, 2008), where concepts about the image of Iceland are examined in general, the committee suggests that the image of Iceland should be created by projecting a positive and strong image of the country´s people, industries, culture and nature. The committee held focus groups to investigate the inner image that inhabitants of Iceland have of their own country. Built on this work, the committee proposed that the core of the image of Iceland should consist of the factors "power" (*i. kraftur*), "freedom" (*i. frelsi*), and "peace" (*i. friður*). Also, that Iceland's unique identity, what would differentiate the country from other countries, should be "natural power" (*i. náttúrulegur kraftur*). These elements can be seen in an image map presented in figure 6-5, which is taken from the report.
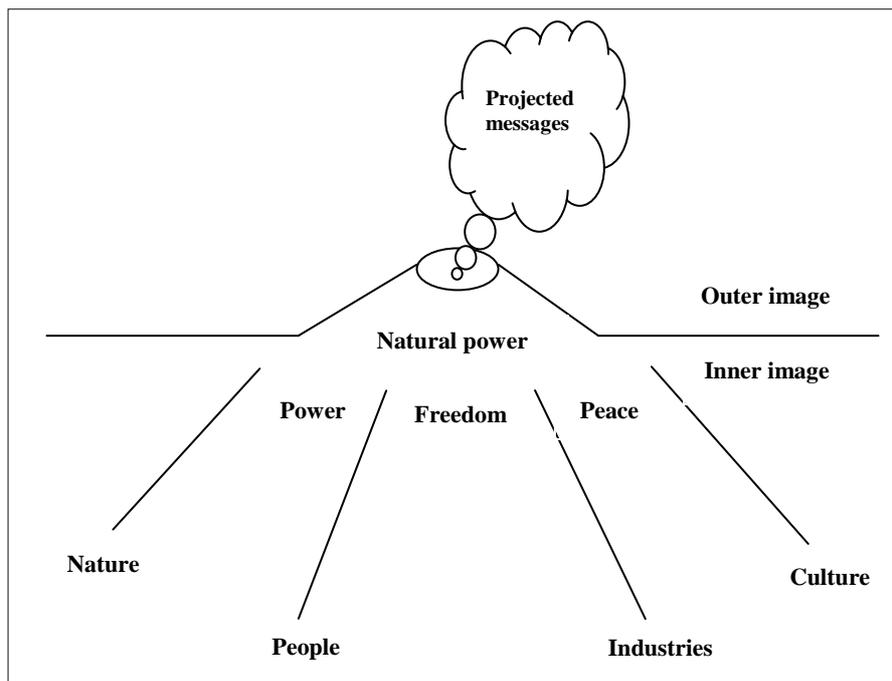

Figure 6-5. Image map for Iceland (Prime Minister´s Office, 2008)

The messages to project are based on the interplay between the core factors (power, freedom and peace) and the elements connected to these factors (nature, people, industries and culture). The main threads of the key messages are the purity of Icelandic nature, healthy society and creative people (Prime Minister´s Office, 2008).

7 Research method

In this chapter, the research method will be described. First, the measurements which were used are described, then how the survey was conducted and finally, statistics concerning the participants are analyzed.

7.1 Measurement

The research used two measurement scales, one structured and one unstructured. The unstructured scale was used to find the holistic image of Iceland. The structured measurement scale was used to find the image of Iceland according to attributes.

The unstructured scale (open ended questions) was used so participants could freely answer what their image of Iceland as a tourist destination was. For this step, a questionnaire was designed based on three open ended questions made by Echtner and Ritchie (1993) along with three additional questions about participants´ gender and travel behavior. The three open ended questions were:

1. What images or characteristics come to mind when you think of Iceland as a tourist destination?
2. How would you describe the atmosphere or mood that you would expect to experience while visiting Iceland?
3. Please list any distinctive or unique tourist attractions that you can think of in Iceland.

Question one is used to find functional holistic image, question two to find psychological holistic image and question three to find unique image of Iceland as a destination. The answers from the unstructured survey were coded according to qualitative methodology. The unstructured survey questionnaire can be seen in appendix 1.

The first version of the structured questionnaire consisted of 27 questions, 17 attribute questions and 10 questions that measured participants demographic background, lifestyle, travel habit in Iceland, behavioral variables and satisfaction with their stay in Iceland. The attributes for the questionnaire were acquired from image research made by Echtner and Ritchie (1991,1993), Haahti and Yavas (1983) and Jenkins (1999) and by studying the results from the unstructured survey. The attributes that were included were:

1) Accessible
2) Scenic and natural beauty
3) Peaceful and quiet
4) Good cultural experience
5) Good tourist facilities
6) Friendly and hospitable
7) Good value for money

8) Unique and different
9) Concerned for the environment
10) Safe place to visit
11) Good entertainment and nightlife
12) Good food and drink
13) Opportunity for adventure
14) Modern
15) Convenient and comfortable
16) Wild
17) Numerous cultural and historical attractions

A nine point Likert scale was used in the attribute questions, where choice of answers ranged from description fits badly (1) to description fits well (9). For this first version a pre-test was made. Its main aim was to reduce the number of attributes by finding out if some attributes had the same meaning in peoples´ minds. The results from the attribute questions of the pre-test can be seen in figure 7-1.
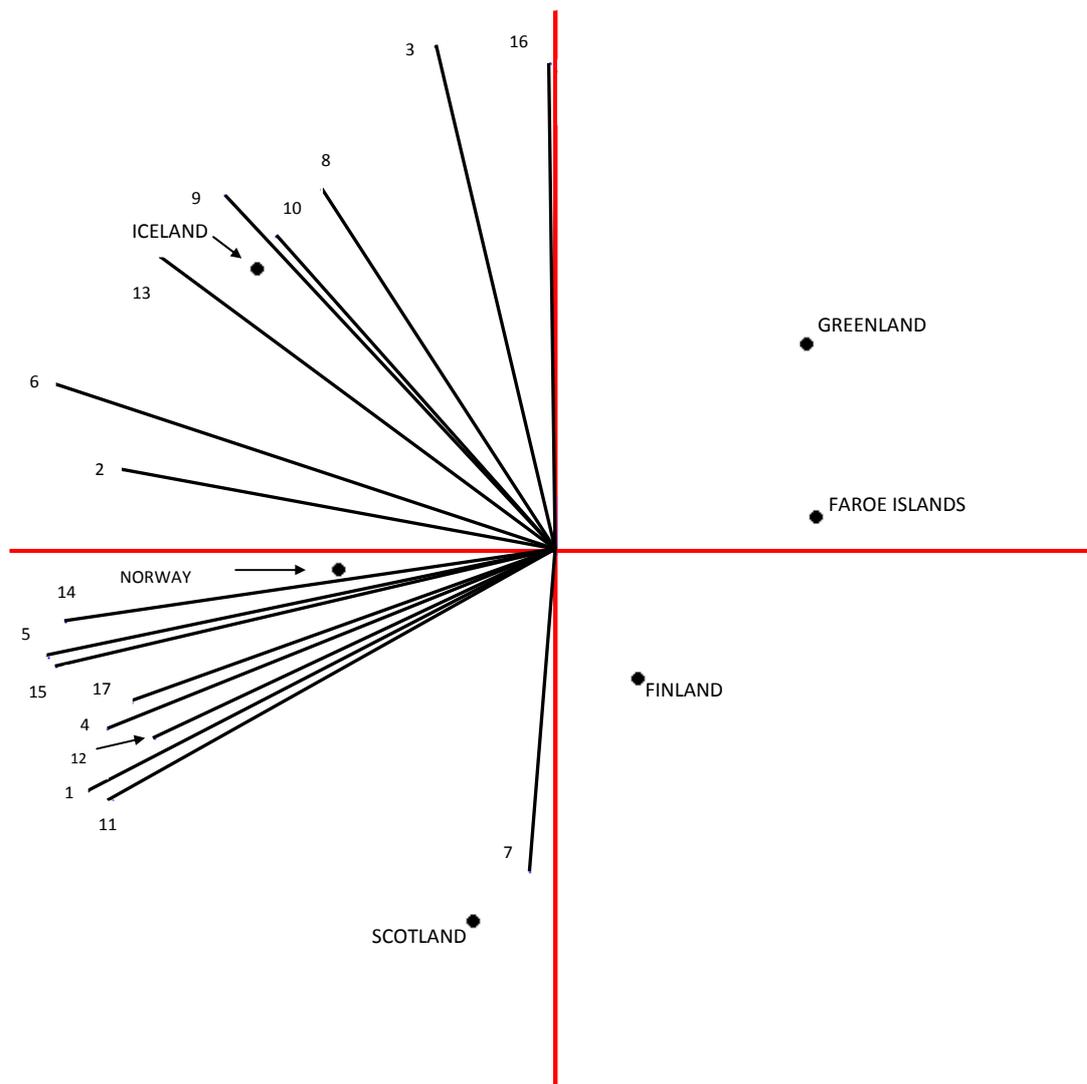
Figure 7-1. Pre-test results

As the perceptual map shows, attribute 9 (concerned for the environment) and attribute 10 (safe place to visit) seem to mean the same thing to the participants. Attribute 5 (good tourist facilities) and attribute 15 (convenient and comfortable) also seem to mean the same, as well as attribute 17 (numerous cultural and historical attractions) and 4 (good cultural experience). Attributes 12 (good food and drink), 1 (accessible) and 11 (good entertainment and nightlife) also seem to mean the same in the participants´ minds. Based on these results the author decided to drop out few attributes:

- Attribute 9 (concerned for the environment) was dropped out and attribute 10 (safe place to visit) was kept as an attribute.

- Attribute 15 (convenient and comfortable) was dropped out and attribute 5 (modern) kept since people seem to regard things that are modern to be convenient and comfortable.

- Attribute 17 (numerous cultural and historical attractions) was dropped out and attribute 4 (good cultural experience) kept since that attribute has a longer vector, which means that people differentiate the product (destinations) more on this attribute.

- Attribute 1 (accessible) was dropped out because it was in the middle between attribute 12 (good food and drink) and attribute 11 (good entertainment and nightlife) which indicates that people perceive this attribute to mean accessibility to good food and drink and good entertainment and nightlife.

- Attribute 7 (good value for money) was dropped out because of two reasons. First, the attribute line is short, which means that it isn´t important in differentiating between the destinations. Second, the vector line for attribute 16 (wild) is nearly in the opposite direction, which means that wild and good value for money are perceived as opposite adjectives in the participants minds. So it is enough to have one of those attributes in the survey.

The final version of the structured questionnaire consisted of 22 questions. The first part of the questionnaire asked about peoples´ image of Iceland and the comparison countries for twelve attributes. The attributes were:

1) Scenic and natural beauty
2) Peaceful and quiet
3) Good tourist facilities
4) Friendly and hospitable
5) Good food and drink
6) Safe place to visit
7) Good entertainment and nightlife
8) Unique and different
9) Opportunity for adventure
10) Modern
11) Wild
12) Good cultural experience

A nine point Likert scale was used in the attribute questions part, where choice of answers ranged from description fits badly (1) to description fits well (9). Questions 13-15 asked about participants´ demographic background and questions 16-19 about their travel habit in

Iceland. Questions 20 and 21 measured destination loyalty (behavioral variables) and question 22 asked about participants´ satisfaction with their trip to Iceland. The final version of the structured questionnaire can be seen in appendix 2.

7.2   Survey implementation

The unstructured questionnaire was administered at a Tourist Information Center, which is operated by the city of Reykjavik, in Adalstraeti 2 (Visit Reykjavik, 2008), 5th of June 2008 from 10am to 12pm.

The pre-test of the structured questionnaire was administered at two tourist destinations, at Geysir on the 9th of June, from 17pm-19pm and at Gullfoss, on the 10th of June, from 12am-14pm.

The final version of the structured questionnaire was administered at three sites. The first site was the main bus terminal in Reykjavik, BSI. From there buses go, for example, to Keflavik International Airport and to a number of popular tourist destination in Iceland (BSI, 2008). The second site was Gullfoss, which is a waterfall and one of the most popular tourist destinations in Iceland, situated in the south of Iceland (Wikipedia, 2008a). The third site was Blaa Lonid, which is a geothermal lagoon in the Reykjanes peninsula in the southwest of Iceland. The lagoon is also one of the most visited attractions in Iceland (Wikipedia, 2008b; Blue Lagoon, 2008). The survey was administered at these sites as following:

- BSI. Survey administered inside:

    June 19th from 11am-16pm.

    June 27th from 11am-16pm.

    June 30th from 11am-16pm.

    Weather conditions: Sunny, moderate clouds, hot and little or no wind.

- Gullfoss. Survey administered outside:

    June 23rd from 11am-17pm.

    June 24th from 11pm-15pm.

    June 25th from 10am-14pm.

    Weather conditions: Sunny, moderate clouds, hot and little or no wind.

- Blaa Lonid. Survey administered inside:

    July 1st from 10am-17pm.

    Weather conditions: No sun, clouds, moderately warm, windy.

The unstructured survey, the pre-test for the structured survey and the final version of the structured survey were all self administered surveys where participants completed the survey on their own (Burns and Bush, 2006). The survey administrator stood at a predetermined spot in all of the survey sites and asked tourists that walked by if they had an interest to participate in a survey being done for a master´s thesis at the University of Iceland. Those tourists who wanted to participate were then handed the survey on paper and the administrator explained the main topic. After that, the participants filled out the survey at their own pace and handed the survey back to the administrator when completed.

7.3   Participants

A convenience sample was used to obtain participants for the surveys. That is, for the unstructured survey, for the pre-test and for the final version of the structured survey. Convenience samples are drawn at the convenience of the administrator. Only those people that are present at the time of a survey´s administration have a chance of being part of the sample (Burns and Bush, 2006).

25 tourists participated in the unstructured survey, 15 males (60%) and 10 females (40%).

17 tourists participated in the pre-test of the structured survey, 8 males (47%) and 9 females (53%).

394 participants answered the final version of the structured survey, 125 in BSI, 165 at Gullfoss and 104 in Blaa Lonid. 60 lists were deemed unusable, either because too few questioned were answered[1] or the participants were from the comparison countries. The final sample consisted of 334 participants, 185 males (55,4%) and 149 females (44,6%). Figure 7-2 shows the age of participants in detail.

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[1] The criteria was that 3 or more countries had to be rated and/or 9 or more attribute questioned had to be answered.
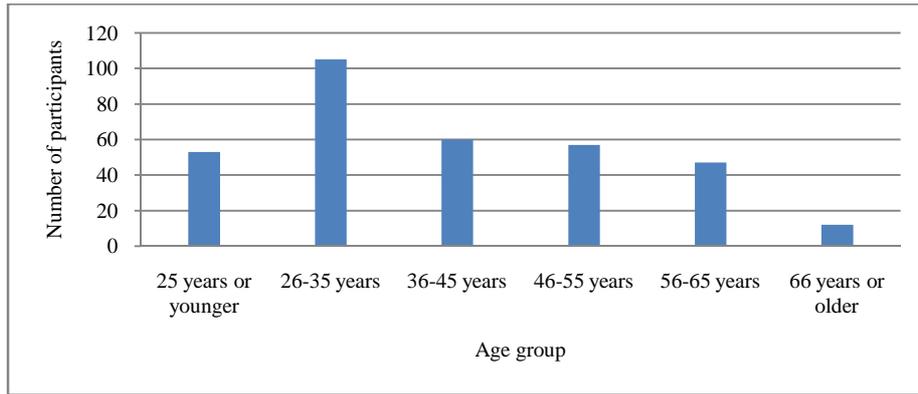
Figure 7-2. Age of participants in the final structured survey

As the figure shows, the largest number of participants was in the age group 26-35 years and the least number of participants in the age group 66 years or older.

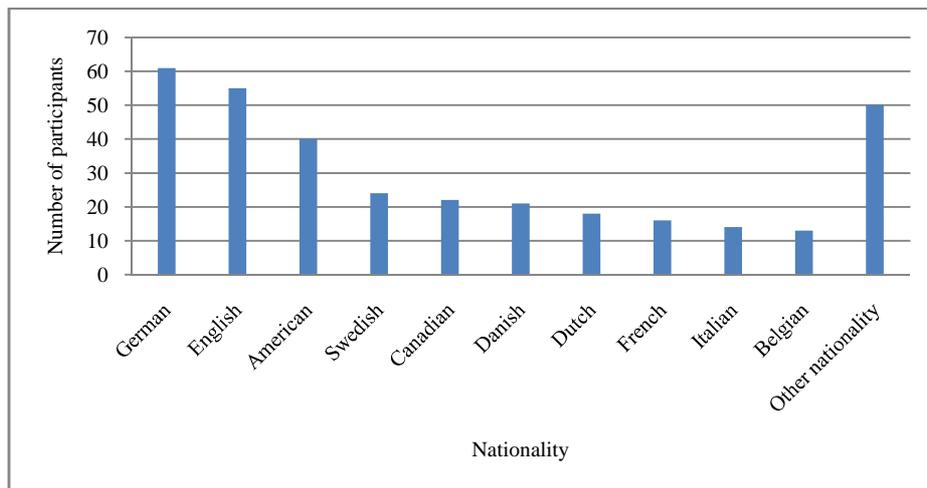Figure 7-3 shows the participants´ nationality in the final structured survey.

Figure 7-3. Nationality of participants in the final structured survey

Most participants are German, English and American. Together they constitute 46% of the sample. These numbers are consistent with the statistics on the number of tourists visiting Iceland in the summer of 2007, which can be seen in figure 6-2.

8   Results

In this chapter, the results from the surveys will be presented. First, the results from the unstructured survey will be laid out. Then the results from the final version of the structured survey will be presented. Statistical analysis was done by using the perceptual software MDPREF, which is a part of the book Marketing Engineering by Lilien and Rangaswamy (2003). SPSS version 14.0 and Microsoft Excel were also used.

8.1   Unstructured survey

The image results from the first question were coded and three functional holistic image groups emerged. The biggest category was named ***nature and scenery*** (geysers, wild nature, scenery, volcano/lava, waterfalls, mountains, glaciers, nature, water, clean, cold, skies). The second biggest category was named ***activities*** (fishing, thermal pools, adventure, horse riding). The third group was named ***culture and people*** (woolen sweaters, interesting history, Björk, art, innovation, low population, friendly, nice, modern, environmental, unique, quiet).

The results from question number two were coded and a number of atmosphere/mood image for Iceland emerged. The number in the brackets shows how often the adjective was mentioned by the participants: Friendly (11), calm (5), relaxed (4), security/peace (3), alone (3), free/freedom (3), different (2), surprising (2), quiet (2).

The image results from the third question were also coded and a number of unique places emerged, along with other places that cannot be considered unique to Iceland. The number in the brackets shows how often the place was mentioned by the participants. First the places that are unique for Iceland: Geysir (15), Blue Lagoon (13), Gullfoss/waterfalls (9) and the Golden circle (2). Next are places not unique to Iceland but are nevertheless important part of Iceland as a destination: Glaciers (5), whales (4), volcanos (3), puffins (2), mountains (2) and museums (2).

8.2   Structured survey

People were asked how often they had visited Iceland. Figure 8-1 shows the results for this question.
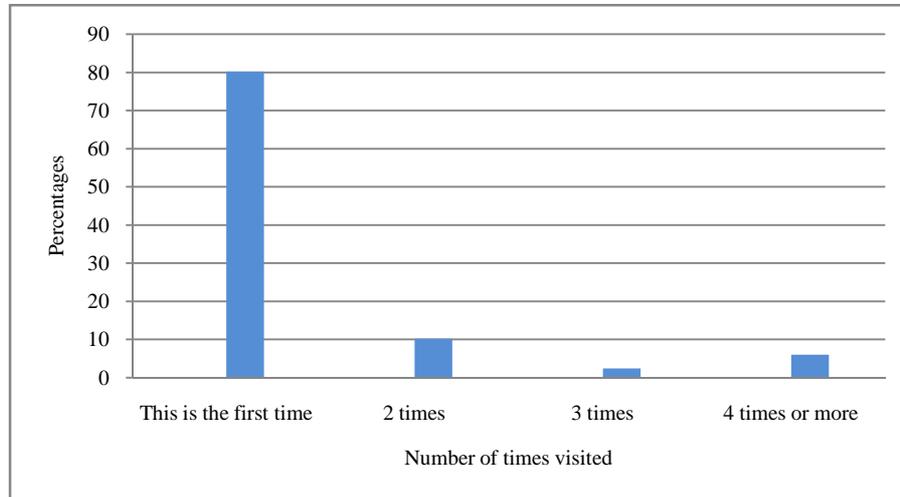
Figure 8-1. How often have you visited Iceland?

80% of participants were here for the first time.

People were asked how long they had stayed in Iceland during their trip. Figure 8-2 shows the results for this question.
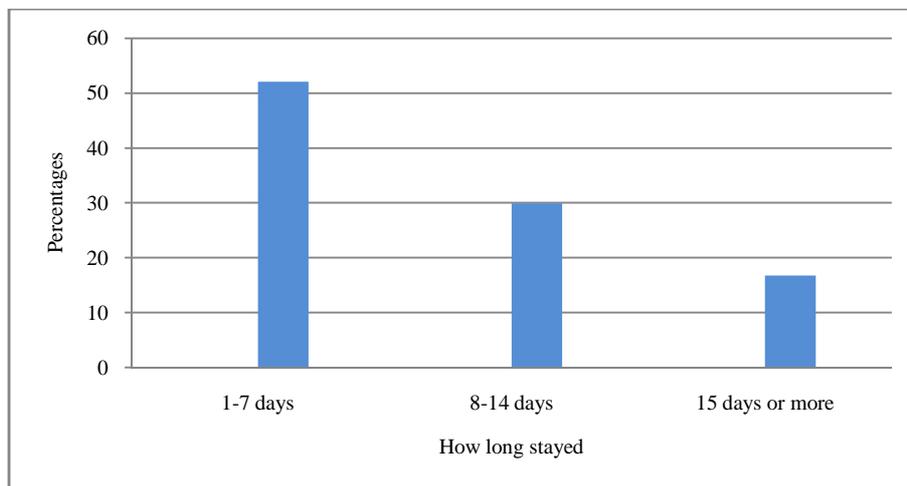
Figure 8-2. How long have you been staying in Iceland?

As shown in figure 8-2, about 50% of participants had been in Iceland for one week or less.

Two questions in the survey asked participants about their loyalty towards the country as a destination. Figure 8-3 shows the result for peoples´ likelihood of returning within the next 1-5 years.
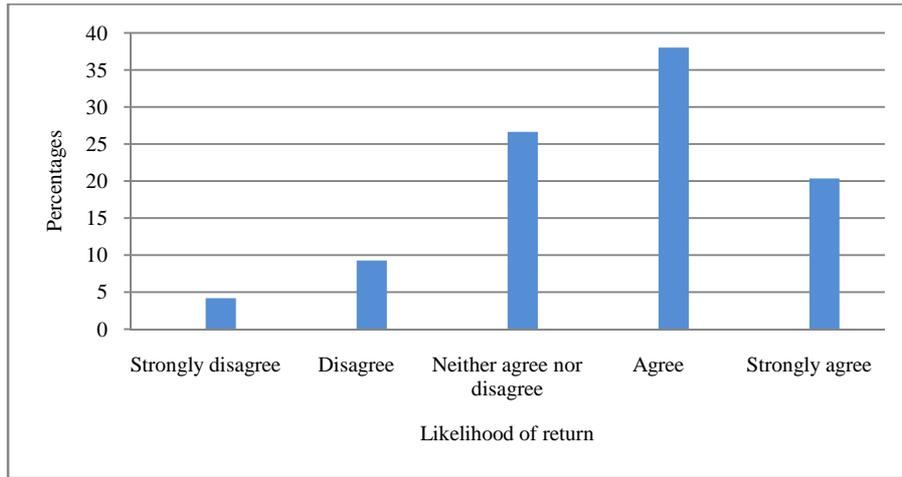
Figure 8-3. Likelihood of returning to Iceland as a tourist in the next 1-5 years

The majority of participants judge it likely that they will return to Iceland within the next 1-5 years. Figure 8-4 shows the result for peoples´ willingness to recommend the country to friends and relatives as a destination.
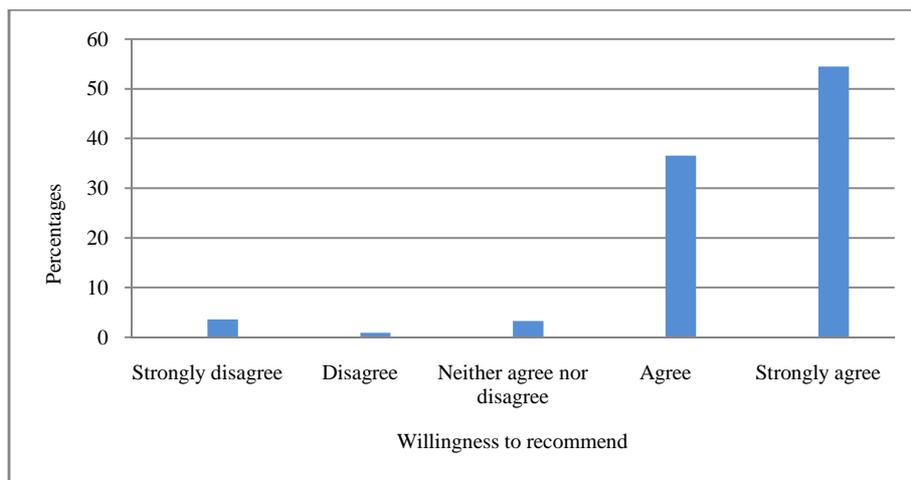
Figure 8-4. Willingness to recommend Iceland to families and friends as a tourist destination

The result shows that about 90% of participants would recommend Iceland as a tourist destination to families and friends. Statistical analysis indicates a positive correlation between peoples´ likelihood of return to Iceland and their willingness to recommend Iceland as a tourist destination (r (327) = 0,39; $p < 0,001$).

One question asked participants about their satisfaction with the trip to Iceland up to the time of evaluation. The results can be seen in figure 8-5.
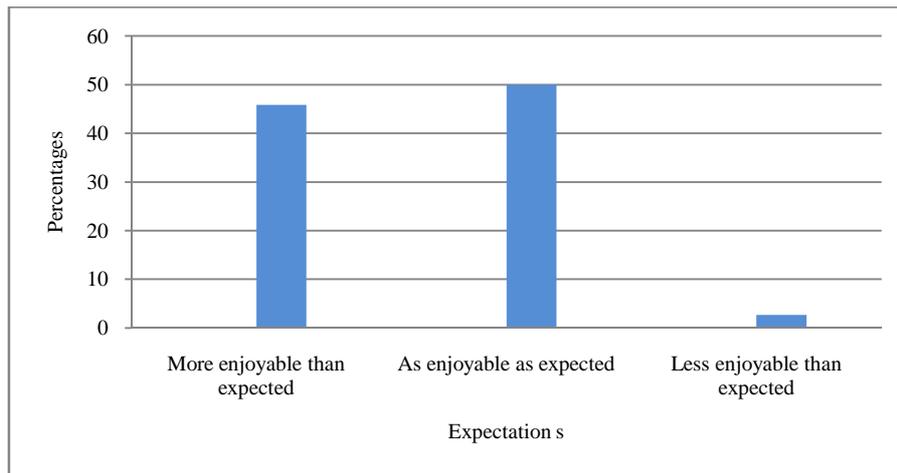
Figure 8-5. Satisfaction with the trip to Iceland

As the figure shows, few people found their trip to Iceland to be less enjoyable than expected.

8.2.1　Perceptual map for all participants

The mean score that participants gave the twelve attributes for all six countries, the standard deviation and number of participants that answered can be seen in appendix 3.

Figure 8-6 shows a two dimensional perceptual map of the image actual visitors in Iceland during summer months have of Iceland and the comparison countries as tourist destinations. This figure shows the results for the whole sample.
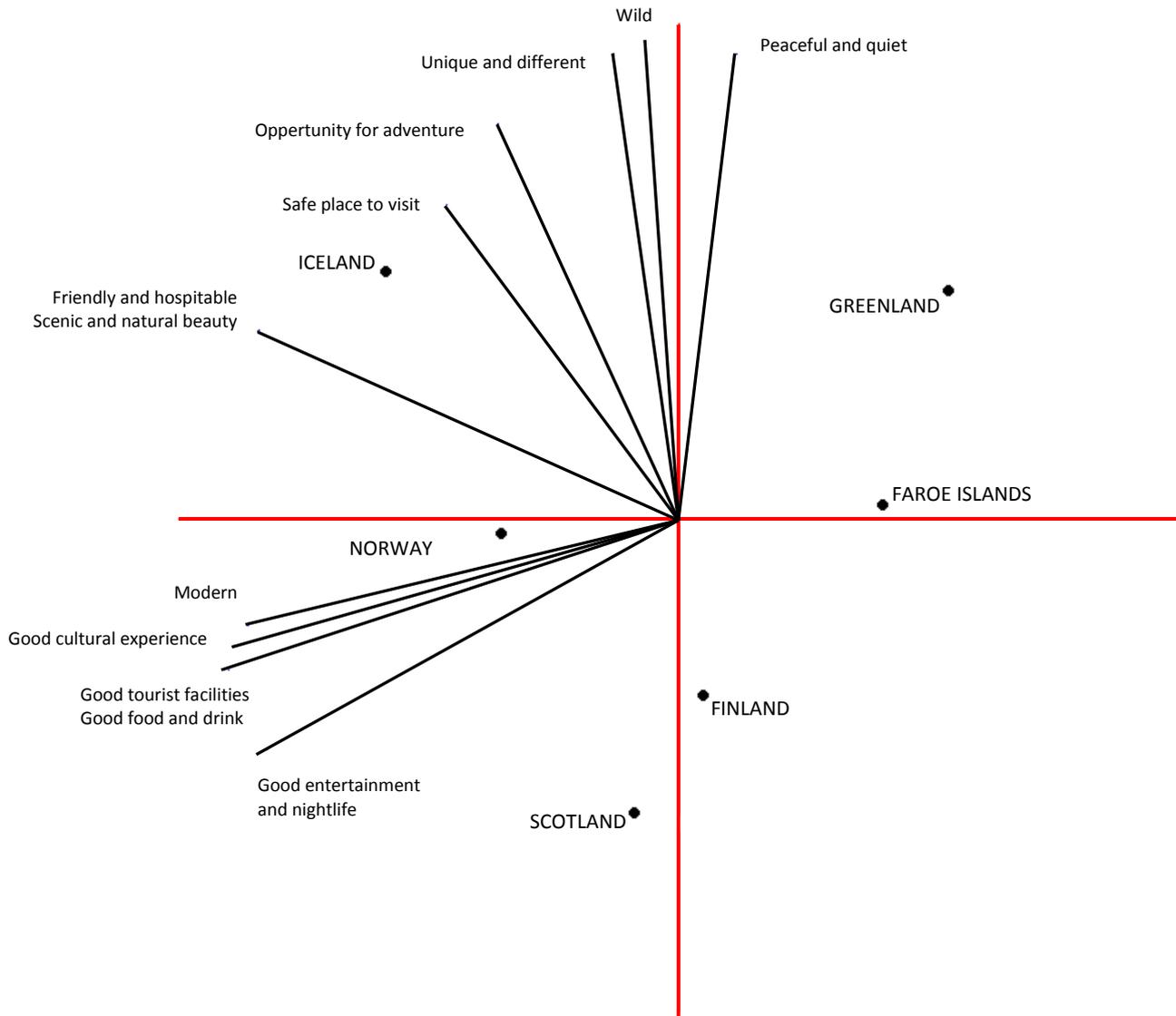
Figure 8-6. Perceptual map for all participants

Iceland can be seen in the upper left corner of the perceptual map. Iceland is far from the middle, which shows that Iceland has a strong and clear image in people´s minds. People connect Iceland most to the attribute "safe place to visit". Iceland also has strong connections to the attributes "friendly and hospitable", "scenic and natural beauty" and "opportunity for adventure." Relatively close by is the attribute "unique and different". According to these results, Norway is Iceland´s closest competitor, since it is nearest to Iceland of all the countries in the figure.

Norway is situated relatively near the middle, on the left side of the vertical axis of the perceptual map. Since it is nearer to the middle than Iceland, people don´t have as clear image of Norway as they have of Iceland. Norway is considered "modern" and to offer a "good cultural experience" as a tourist destination. It is also connected to the attributes "good

tourist facilities" and "good food and drink", which seem to be the same attributes according to these results. Relatively close by is also the attribute "good entertainment and nightlife".

Scotland is situated far from the middle which indicates that people have a clear image of Scotland in their minds. Scotland is connected strongest to the attribute "good entertainment and nightlife" although the country is positioned some distance from that attribute. By looking in an opposite direction from Scotland, the figure shows the attribute "peaceful and quiet". This supports the position of Scotland as a country of entertainment and nightlife, since entertainment and nightlife seldom goes hand in hand with peace and quiet. Scotland is also positioned slightly in the opposite direction of the attributes "wild" and "unique and different" which might indicate that Scotland is not wild nor unique and different in the minds of people travelling to Iceland.

Finland is situated near the middle of the vertical axis. According to these results Finland and Scotland have a similar position in people's minds and can therefore be considered competitors. Finland is not connected with any attribute. But since Finland has a position in the opposite direction of Iceland, it can be interpreted that Finland and Iceland are quite different destinations in the minds of people, since they don´t share similar attributes. These results indicate that Finland is not wild, not unique and different, doesn´t offer an opportunity for an adventure and is not a safe place to visit, at least not in comparison to the other destinations being studied.

The Faroe Islands are situated in the middle of the horizontal axis of the perceptual map. It is also not connected to any attribute in the minds of people. The Faroe Islands are positioned in the opposite direction of Norway. In a similar way as the connection between Iceland and Finland, this can be interpreted in such a way that the image people have of the Faroe Islands is of a destination that is not modern, doesn´t offer a good cultural experience, good tourist facilities nor good food and drink. Also, people don´t associate the Faroe Islands with good entertainment and nightlife.

Greenland is situated in the middle of the upper right quadrant of the figure. This indicates that Greenland has a clear image in the minds of people. The country is positioned nearest to the attribute "peaceful and quiet" and in the opposite direction of the attribute "good entertainment and nightlife". Similar to the Faroe Islands, people perceive Greenland as not offering the attributes "good tourist facilities", "good food and drink" nor "good cultural experience". People also see Greenland as not being a modern destination.

The perceptual map is two dimensional as stated previously. By looking at the attributes that group together it is possible to interpret the dimensions (factors). According to

these results, the vertical axis (dimension 1) could be interpreted as a "nature – civil" dimension. The nature elements are situated in the upper end of the vertical axis and include attributes like "peaceful and quiet", "wild", unique and different" and "opportunity for adventure". The civil element of the dimension is situated at the lower end of the axis and includes the attribute "good entertainment and nightlife". The horizontal axis (dimension 2) can be interpreted as "facilities – lack of facilities" dimension. The elements that are situated at the left side of the horizontal axis are the facilities attributes. They include "modern", "good cultural experience", "good tourist facilities" and "good food and drink". If any attribute was on the right side of this axis it would for example be the attribute "lack of tourist facilities".

8.2.2   Perceptual maps by subgroups

The image of Iceland and the comparison countries was examined by looking at the perception of subgroups, to see if there were any differences from the whole sample. For this purpose the difference in image between gender, nationalities and age groups was examined. Image differences according to how often visitors had been to Iceland and how long they had stayed in Iceland during their trip were also studied.

Image of males and females

The results showed that the image held by males (N=185) and females (N=149) was the same and these groups had also nearly the same image of the destinations studied as the whole sample.

Image of Germans, Englishmen and Americans

Image difference was studied for the most common nationalities, Germans (N=61), Englishmen (N=55) and Americans (N=40). These nationalities had the most number of representatives in the sample and are also Iceland´s biggest tourist markets. The three nationalities held different image of Iceland and the comparison countries as is shown in figures 8-7, 8-8 and 8-9.

Figure 8-7 shows the perceptual map of what image Germans have of the destinations. The position of Iceland has changed. Iceland is now situated nearer the horizontal axis and has a clear image. This could be interpreted that Germans associate Iceland less to the nature element and more to the civil element of the vertical axis. Iceland is connected strongest to the attribute "friendly and hospitable". The attribute "wild" has stronger associations to

Iceland in this map. Norway has moved down the vertical axis and is still connected to the same attributes. It has the strongest connection to the attribute "good food and drink". Other countries have also moved to some extent.

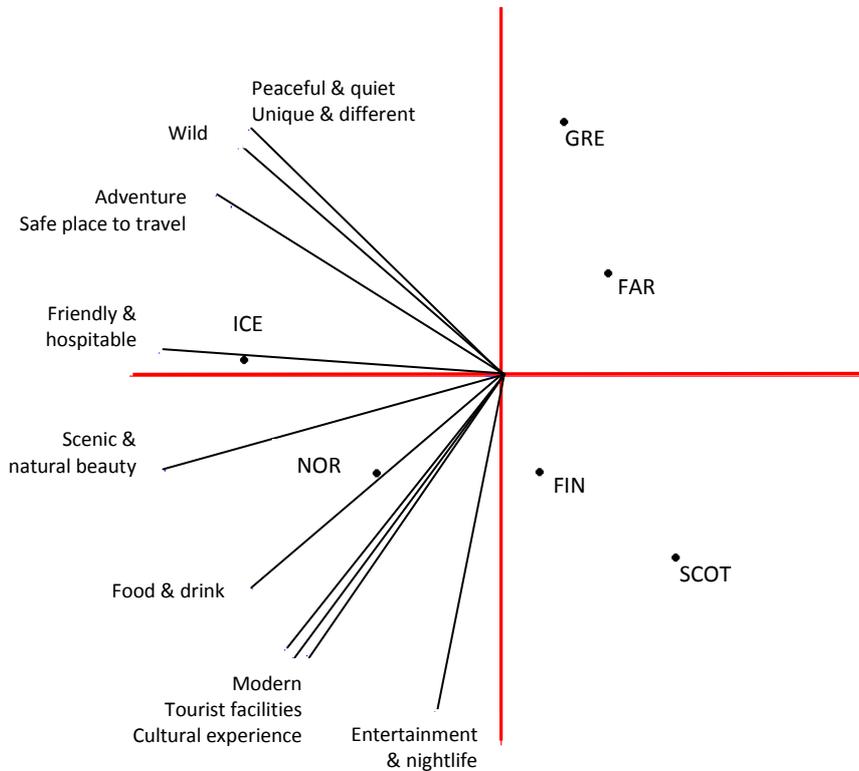Figure 8-7. Perceptual map for all Germans

Figure 8-8 shows the perception that Englishmen have of the destinations. There is not much difference in this perceptual map from the perceptual map of the whole sample. The most noticeable difference is that the attribute "scenic and natural beauty" is now connected with Norway but is connected with Iceland in the map with the answers from all participants.
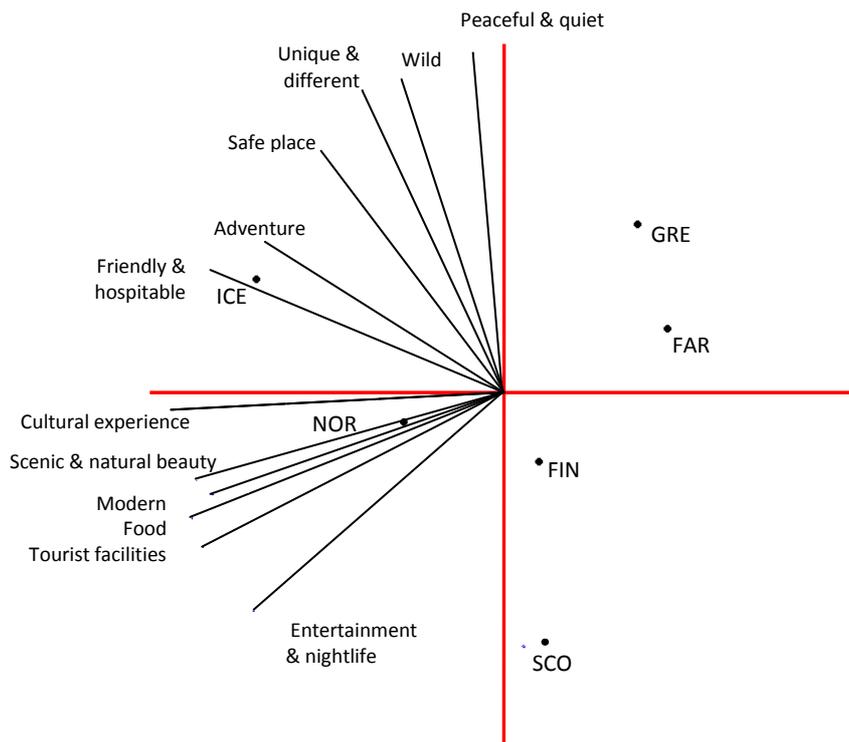
Figure 8-8. Perceptual map for Englishmen

Figure 8-9 shows what image of Iceland and the comparison countries is held by people from USA. Here Iceland has moved a little bit up along the vertical axis which could be interpreted in such a way that Americans see Iceland as being more of a nature destination than the whole sample. Iceland has the strongest connection to the attributes "safe place to visit" and "opportunity for adventure". Norway is still connected to the same attributes as in the map shown for the whole sample in figure 8-6. Scotland and Finland are seen by American tourist to possess attributes related to facilities, entertainment and nightlife, food and drink. According to this map, Norway, Scotland and Finland are competitors. The position of the Faroe Islands hasn´t changed much. The destination is now in the opposite direction of the attributes "scenic and natural beauty" and "friendly and hospitable". It can be interpreted that Americans don't perceive the Faroe Islands as being scenic and beautiful or the inhabitants to be friendly and hospitable. The position of Greenland hasn´t changed but the attributes "peaceful and quiet", "wild" and "unique and different" are now situated closer to Greenland which means that American tourist associate Greenland more with these attributes.
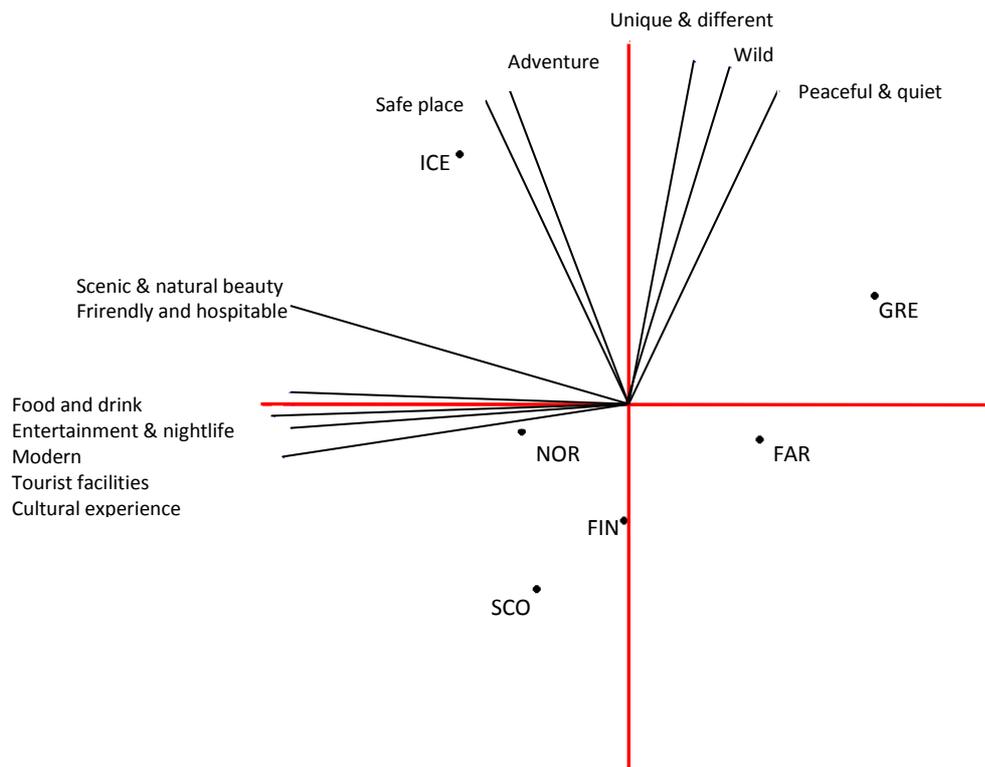
Figure 8-9. Perceptual map for Americans

Image by age groups

Three age groups were created by combining age groups, as can be seen in table 8-1, to test the difference in image.

Table 8-1. Age groups

Name	Number
25 years and younger	53
26-35 years	105
Age group 1	**158**
36-45 years	60
46-55 years	57
Age group 2	**117**
56-65 years	47
66 years or older	12
Age group 3	**59**

Results revealed that age group 1 (N=158) had a different image of Iceland and the comparison countries from that of the whole sample but age groups 2 (N=117) and 3 (N=59) had nearly the same image of the destinations from that of the whole sample.

Figure 8-10 shows a perceptual map for age group 1.
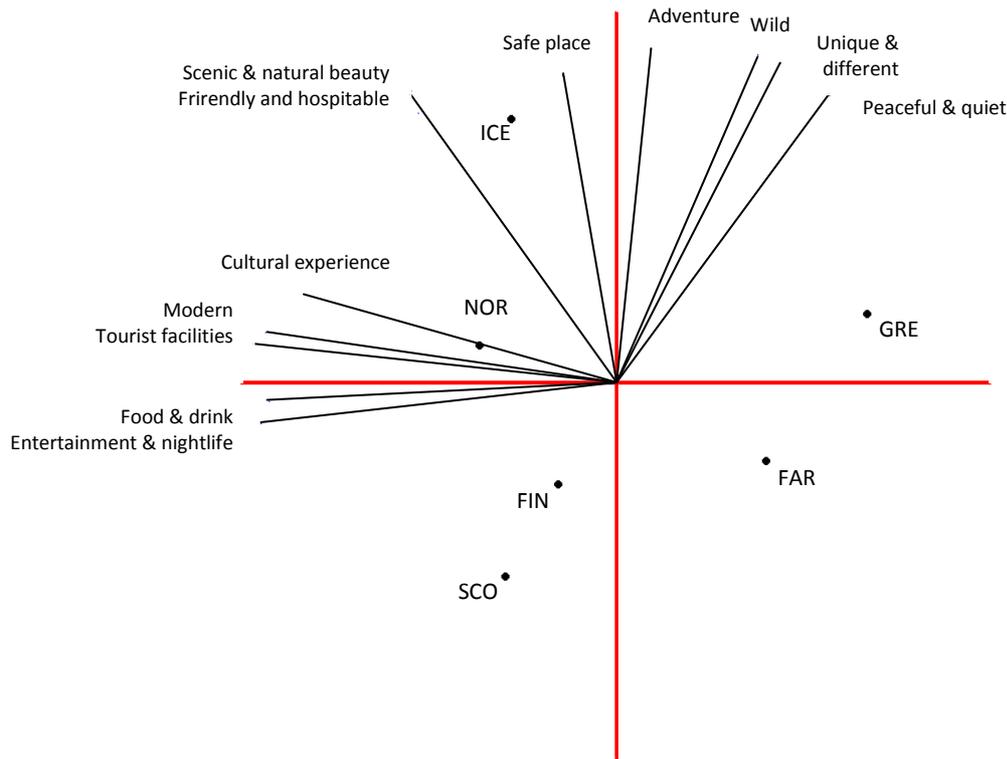
Figure 8-10. Perceptual map for age group 1

According to the map, Iceland is situated closer to the nature side of the nature-civil dimension and Norway has also moved in that direction. People associate Iceland to the attributes "safe place to visit", "scenic and natural beauty" and "friendly and hospitable". This age group considers Norway to offer a good cultural experience, along with good facilities. As before, Greenland has the image of being peaceful and quiet, along with the attributes "unique and different" and "wild".

Image and trip variables

To study the difference between the image of people that are here for the first time and people that have been here before (repeat visitors), two groups were created, as can be seen in table 8-2.

Table 8-2. Groups for studying how often stayed

How often stayed	Number
First time	**268**
2 times	34
3 times	8
4 times or more	20
2 times or often	**62**

The results showed that the people who are in Iceland for the first time (N=268) have nearly the same image of Iceland and the comparison countries as the whole sample. The people who have been to Iceland before (N=62) have a slightly different image of Iceland and the comparison countries, as can be seen in figure 8-11.
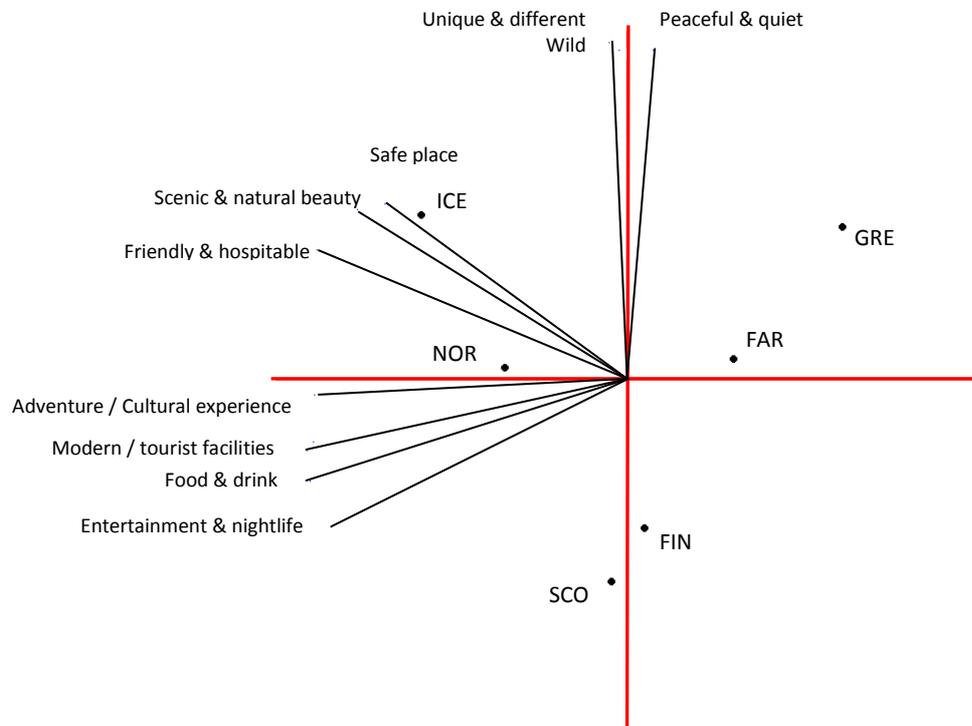
Figure 8-11. Perceptual map for participants that had been to Iceland before

In this figure, it can be seen that Iceland has moved further away from the attribute vectors "peaceful and quiet", "unique and different" and "wild". It is still considered a safe place to visit, to have a scenic and natural beauty and friendly and hospitable locals. According to this result, the attribute "opportunity for adventure" is now positioned further away from Iceland and closer to Norway. People who have been here before also consider the attributes "opportunity for adventure" and "good cultural experience" to be the same attribute.

Data for tourists´ length of stay in Iceland during their trip was analyzed to see if any difference in image were to be found. People were put into three groups, as seen in table 8-3.

Table 8-3. Groups for studying length of stay

Length of stay	Number
1-7 days	174
8-14 days	100
15 days or more	56

The result for the group that had stayed for 1-7days (N=174) was the same as for the whole sample. Results for the group that had stayed for 8-14 (N=100) days showed a slight difference (movement of the attribute vectors) but the same vectors were associated with the same destinations. The group that had stayed for 15 days or more (N=56) showed the biggest difference from the image the whole sample has about the destinations. The figure for this group can be seen in figure 8-12.
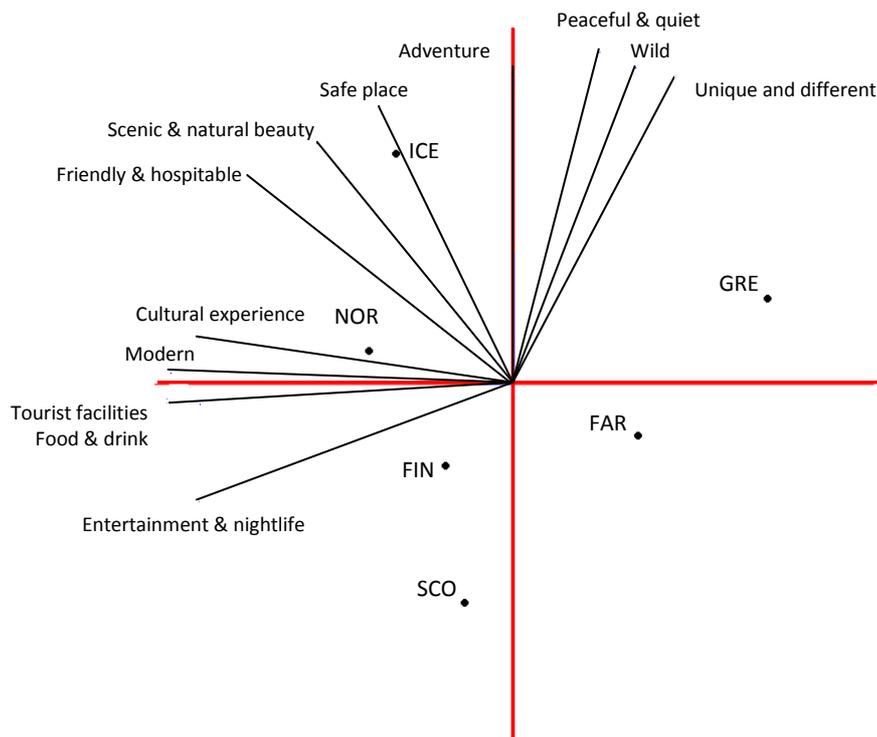
Figure 8-12. Perceptual map for participants that had stayed in Iceland for 15 days or more

In this figure, Iceland has the perception of being a safe place to visit, possessing scenic and natural beauty, being friendly and hospitable and also as providing opportunity for adventure. It has moved further up the vertical axis and is thus more associated with the nature element. Norway has moved and is, as before, connected with the attribute "good cultural experience" and "modern". This group perceives tourist facilities and food and drink to represent the same attribute. Finland and Scotland have also moved. Finland is now nearer the middle of the axes, which means that the country hasn´t a clear image with this group. The Faroe Islands and Greenland have both moved down the vertical axis.

8.2.3 Comparison between Iceland, Greenland and the Faroe Islands

To show the difference even clearer between the scores all participants gave for Iceland, Greenland and the Faroe Islands, a radar map was generated. It can be seen in figure 8-13.

Figure 8-13. Radar map for comparing Iceland, Greenland and the Faroe Islands attribute image

According to the radar map Iceland, the Faroe Islands and Greenland have a similar score for the attributes "wild", "peaceful and quiet" and "safe place to visit". In addition Iceland and Greenland have a similar score for the attributes "unique and different" and "opportunity for adventure".

9 Discussions

For the goal of finding out actual visitors' image of Iceland as a tourist destination, three research questions were asked:
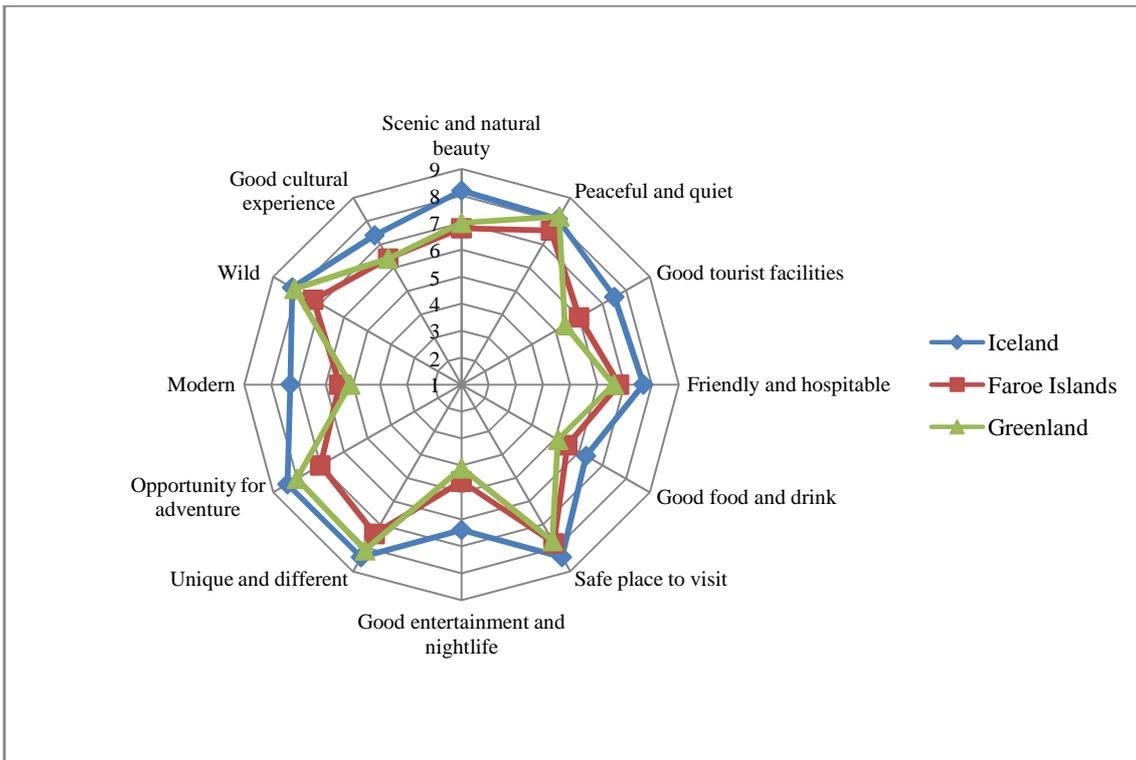
1) What is the image of Iceland in the minds of foreign travelers?
2) What is Iceland´s leading competitor among the countries that it was compared to?
3) Is it possible to position Iceland, the Faroe Islands and Greenland as one travel destination?

Actual tourists travelling in Iceland were asked to participate in an unstructured survey that measured the holistic image of Iceland and also in a structured survey that asked about their image of Iceland in comparison to Norway, Scotland, the Faroe Islands, Finland and Greenland, for twelve attributes.

After reviewing former destination image research, five hypotheses were put forth.

H_1: Image differences for Iceland as a tourist destination will be recognizable between different age groups and different nationalities.

H_2: People who have visited Iceland before will have a different image of Iceland as a tourist destination than people who are there for the first time.

H_3: People who have stayed in Iceland for more than one week will have a different image of Iceland as a tourist destination than people who have been there for less than one week.

H_4: There will be a connection between people's likelihood of returning to Iceland as a tourist in the next 1-5 years and people's willingness to recommend Iceland to families as friends as a tourist destination.

H_5: More people will find their trip to Iceland to be more enjoyable than expected than people who will find their trip to be less enjoyable than expected.

In this chapter, the results of the study will be compiled and discussed in relation to the above research questions and hypotheses. Also, some positioning and branding ideas for Iceland will be put forth. Finally, the study´s limitations and future research will be discussed.

9.1 The image of Iceland as a tourist destination

Results from the unstructured survey indicate that travelers have the strongest holistic image of Iceland as a scenic nature destination. They also have an image, although to a lesser extent, of a destination where a number of activities are offered and that the country possesses interesting people and culture. Furthermore, the country is believed to be friendly, calm, relaxed and secure and offers people freedom and the chance of being alone. Results indicate that Iceland has something unique to offer and Geysir, the Blue Lagoon and Gullfoss were mentioned in this respect, along with non-differentiated offerings such as whales, puffins, volcanoes and museums.

Results from the structured survey indicate that the image tourists in general have of Iceland as a tourist destination is of a country that:

- is a safe place to visit
- offers opportunity for adventure
- is friendly and hospitable
- possesses scenic and natural beauty

Results also indicate that people have a strong and clear image of Iceland since the country was positioned far from the middle of the perceptual map.

If these results are compared to the messages that the image report from the Prime Minister´s Office (Prime Minister´s Office, 2008) wants to communicate, the messages are "power", "freedom" and "peace" and Iceland´s unique identity should be "natural power". In comparison it can be supported that "safe place to travel" and "peace" are similar concepts, so travelers to Iceland already have a "peace" image of the country. From one angle it can be argued that offering "opportunity for adventure" is "freedom" so travelers to Iceland possibly have a "freedom" image of the country already. The concepts "scenic and natural beauty" and natural power" can also be interpreted as being the same, so travelers already have the image of the country as possessing "natural power".

Results for different sub target groups indicate that there are no differences between genders regarding the image of Iceland as a tourist destination. Results indicate a difference in image for the nationalities of Germans, Englishmen and Americans and a difference in image between age groups. So hypothesis one is supported.

Results indicate that Germans connect Iceland less to the nature element than tourist in general. They connect Iceland the most to the attribute "friendly and hospitable" and

second most to the attribute "scenic and natural beauty". The attributes "safe place to visit" and "opportunity for adventure" were not far off.

The image difference revealed when the nationality of Englishmen was studied was that they connect the attribute "scenic and natural beauty" with Norway instead of Iceland. If this attribute is a part of the positioning Iceland wants to use in the future it has to be strengthened and communicated towards the English market. They connected Iceland the most to the attribute "friendly and hospitable" and "opportunity for adventure" with the attribute "safe place to visit" not that far off on the map.

Americans connect Iceland much more to the nature element than the general tourist does. In their minds, Iceland is considered a "safe place to visit" and as offering "opportunity for adventure". The results indicate that Americans connect Iceland as a tourist destination less to the attributes "scenic and natural beauty" and "friendly and hospitable".

Results from the perceptual map of age groups indicated that younger tourists (under 35 years of age) hold a different image than older tourist. They see Iceland as being more of a nature country than the general tourist, although they connect Iceland to the same attributes as the general tourists (adventure, safe place to visit, scenic and natural beauty, friendly and hospitable). When positioning towards this group, the nature element should maybe be emphasized.

Image result also indicates that people who are in Iceland for the first time have a different image than those who have been to Iceland before. This result supports hypothesis two. The main difference is that people who have been to Iceland before don´t have an image of Iceland as a country offering opportunity for adventure. This group connects this attribute more with Norway than Iceland. This could maybe indicate that Iceland is communicating a wrong message about opportunities for adventure in Iceland and when tourists have tried the product (Iceland) more than once they realize that the product doesn´t deliver what has been communicated.

Results indicate a difference in the image people have of Iceland as a tourist destination according to how long they have stayed there. This result supports hypothesis three. People who had stayed in Iceland for 15 days or more had the image of Iceland as being more connected to the nature element. Despite this change in position on the map, this group has the image of Iceland as being safe, adventurous, scenic and natural and friendly and hospitable. This indicates that when people stay longer in Iceland and experience the country, they gather a more accurate image of it.

The results indicate that tourists in general can be loyal to Iceland as a tourist destination as seen by the fact that the majority of them would see themselves buying the product (the destination Iceland) within the next five years. The majority of them can also see themselves recommending the product to friends and relatives. Statistical analysis indicated a connection between these two variables. So tourists who are likely to return to Iceland are also willing to recommend Iceland to friends and family as a tourist destination or vice versa. This result supports the fourth hypothesis.

Results indicate that tourists are satisfied with Iceland as a tourist destination, since their trip to Iceland matches or exceeds their expectations. This refers to the trip as a whole (overall satisfaction) but not individual products or services (attribute satisfaction). However, overall satisfaction can have an influence on attribute satisfaction as previously mentioned. It is positive that 46% of the participants perceive the trip to have exceeded their expectations and only 3% report the trip to be less enjoyable than expected. This result supports the fifth hypothesis.

When the results of the perceptual maps are examined they indicate strongly that Norway is Iceland´s main competitor for tourists. Tourists see Iceland and Norway as similar destinations. In comparison, Iceland is perceived to be safer and more adventurous and Norway is perceived to offer better facilities for tourists, better food and drink, better entertainment and nightlife and to offer a better cultural experience. If Iceland wants to position itself as a destination offering better facilities, it first has to build the facilities up to the standards that tourists who Iceland has chosen to serve hold.

9.2 Positioning ideas

All the attributes that people connect to Iceland could be used separately or in a combination to create a communication platform for Iceland as a tourist destination. It has to be remembered that the positioning must be valid, believable, simple, have an appeal and be distinctive (Gertner and Kotler, 2004). Here are some ideas of slogans to use:

Iceland – a safe place to visit

Iceland – opportunity for adventure

Iceland – the safe adventure country

Iceland – friendly and hospitable

Iceland – scenic natural beauty

Iceland – friendly nature place

Iceland – for a nature adventure

Iceland – naturally friendly

Iceland – naturally scenic

Iceland – natural beauty

Complimenting the positioning statement, branding tools like an appropriate logo and the right colors should be used. Connecting Iceland as a destination to a spokesperson who possesses similar qualities as Iceland could also be used. The use of Iceland´s unique tourist attractions like Geysir, the Blue Lagoon or Gullfoss, as a part of the communication platform, could also be done.

According to the results, Iceland, the Faroe Islands and Greenland seem to have a different image in the minds of tourists and they seem to be offering a different product. Out of these two comparison countries, Iceland and Greenland seem to have more in common than Iceland and the Faroe Islands. Although these countries can hardly be positioned together, this should not dissuade them from working together to plan the area as a tourist region or cooperating together in their marketing and promotion activities. It could be in the interest of these countries to work together to try to get tourists to pick the area for traveling to instead of, for example, the area (destination) that comprises Norway, Sweden, Finland and Denmark. But if Iceland and Greenland where to position themselves together as one product (destination), they could use the attributes "peaceful and quiet", "wild" and "unique and different". An example of a position statement for them could be:

"Iceland and Greenland, two islands in one trip – a unique and peaceful experience."
or
"Iceland and Greenland, two islands in one trip – a wild and different experience"

9.3 Limitations and further research

The unstructured and structured surveys were administered to a convenience sample, so their findings can´t be generalized onto the population. The results should however give a good idea about the image tourists have of Iceland as a tourist destination.

The weather at the survey sites was always good, when the surveys were being conducted. That could have influenced participants´ mood and their answers.

The tourists asked about the image of Iceland are already in the country, which could influence their perception of it in comparison to other countries. Maybe some other result would have emerged if the survey had been administered to tourists in Norway for example.

Also, because the tourists have gone through the process of placing Iceland in their "opportunity set" and put it in their "decision set", they have decided that Iceland is a product worth buying, so to speak. This could have influenced the image tourists have of Iceland .

In the structured survey, no attempt was made to find out if the attributes used were the attributes that tourist to Iceland find important parts of their image of destinations. It is a possible that some other attributes should have been used in the survey.

It is possible that people didn´t know the comparison destinations well enough to make a comparison to Iceland and this could maybe have skewed the results. Additionally, it is possible that some other destinations should have been chosen as comparison destinations. In this survey, only geographically close destinations were selected. It is possible that more distant destinations like New Zealand or Japan could be alternative destinations when people consider between travelling to Iceland or some other destination.

The unstructured survey had few participants, only 25, and the coding is the interpretation of one individual. Maybe some other groups would have emerged if someone else had coded the data. Despite these limitations, the results should give some ideas about the holistic image tourist may have about Iceland as a tourist destination.

The image of Iceland as a tourist destination should be examined at three levels. It should be investigated at pre-travel level, during visit level and post visit level. To do this and see the difference in image, it is important to use the same attributes. First, Iceland´s target markets have to be defined. Different nations like Germany, England and the United States and age groups within or across nations can be segments that are chosen as the target markets. Different lifestyle segments, like adventure seekers or nature lovers, could also be chosen as target market. Secondly, the preferred attributes have to be found. These attributes can be different depending on the target market being studied. Image is not measured once and for all. Image changes, so image studies have to be repeated over a long period of time.

For the during visit level, further research could concentrate even more on subgroups of tourist, such as samples of Germans or Americans only, or concentrate on a specific age group like young travelers, for example. It could also be interesting to examine the difference in image based on tourists´ traveling style. A popular research topic in Australia is the image of backpackers. It could be interesting to concentrate on a subgroup like that and compare it to some other group. For example, do bicyclists have a different image of Iceland compared to that of people who are here on a package tour and travel by bus? The image of during visit tourist should also be investigated for different seasons. Maybe winter travelers have a different image of Iceland than the image summer travelers have.

10   Appendixes

Appendix 1 – Unstructured survey

Dear participant.

This survey is a part of a master's thesis in business at the University of Iceland.

Please answer by writing on the appropriate line. Keep in mind that there are no wrong answers.

1. **What images or characteristics come to mind when you think of Iceland as a tourist destination?**

   _____
   ___

2. **How would you describe the atmosphere or mood that you would expect to experience while visiting Iceland?**

   _____
   ___

3. **Please list any distinctive or unique tourist attractions that you can think of in Iceland**

   _____
   ___

What is your sex?

1 Male

2 Female

How often have you visited Iceland?

1 It´s the first time

2 2 times

3 3 times

4 4 times or more

How long have you been staying in Iceland during this trip

1 Less than 2 days

2 3 – 6 days

3 7-10 days

4 11-14 days

5 15 days or more

Thank you for your participation

Enjoy your stay in Iceland

Appendix 2 – Structured survey

The image of selected countries as tourist destinations

This survey is a part of a master's thesis at the University of Iceland. The survey consists of 22 questions. <u>It's not expected that you have traveled to the countries</u>. Just answer according to what you think or believe.

Part 1: Draw a circle around the number that you feel is the most appropriate for <u>every</u> country.

1. Scenic and natural beauty

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

2. Peaceful and quiet

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

3. Good tourist facilities

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

4. Friendly and hospitable

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

5. Good food and drink

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

6. Safe place to visit

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

7. Good entertainment and nightlife

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

8. Unique and different

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

9. Opportunity for adventure

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

10. Modern

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

11. Wild

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

12. Good cultural experience

	Description fits badly								Description fits well
Norway	1	2	3	4	5	6	7	8	9
Iceland	1	2	3	4	5	6	7	8	9
Scotland	1	2	3	4	5	6	7	8	9
Faroe Islands	1	2	3	4	5	6	7	8	9
Finland	1	2	3	4	5	6	7	8	9
Greenland	1	2	3	4	5	6	7	8	9

Part 2: The following questions will be used to process the survey.

13. What is your nationality?

1 German
2 English
3 American
4 French
5 Dutch

6 Belgian
7 Danish
8 Swedish
9 Italian
10 Spanish

11 Canadian
12 Japanese
13 Scottish
14 Norwegian
15 Finnish

16 Faroese
17 Greenlandic
18 Other nationality

14. What is your sex?

1 Male
2 Female

15. What is your age?

1 25 years or younger
2 26-35 years
3 36-45 years
4 46-55 years
5 56-65 years
6 66 years or older

16. What is your main mode of travel in Iceland?

1 Bus
2 Car
3 Bicycle
4 Other

17. What is the purpose of your visit?

1 Holiday

2 Convention/meeting

3 Business

4 Visiting friends and relatives

5 Study

6 Other

18. How often have you visited Iceland?

1 This is the first time

2 2 times

3 3 times

4 4 times or more

19. How long have you been staying in Iceland during this trip

1 1-7 days

2 8-14 days

3 15 days or more

20. I´m likely to return to Iceland as a tourist in the next 1-5 years

Strongly disagree	Disagree	Neither agree nor disagree	agree	Strongly agree
1	2	3	4	5

21. I´m willing to recommend Iceland to families and friends as a tourist destination

Strongly disagree	Disagree	Neither agree nor disagree	agree	Strongly agree
1	2	3	4	5

22. Up until now my trip to Iceland has been…

1 More enjoyable than expected

2 As enjoyable as expected

3 Less enjoyable than expected

Thank you very much for your participation.
Enjoy your stay in Iceland.

Appendix 3 – Statistical results for attribute questions

	MEAN	STD	N	MEAN	STD	N
	Norway	Norway	Norway	Iceland	Iceland	Iceland
Scenic and natural beauty	7,7	1,261	334	8,2	1,041	333
Peaceful and quiet	7,4	1,380	334	8,1	1,073	333
Good tourist facilities	7,4	1,318	332	7,5	1,343	332
Friendly and hospitable	7,2	1,277	331	7,7	1,312	331
Good food and drink	6,3	1,752	330	6,3	1,883	330
Safe place to visit	8,1	1,114	332	8,4	0,895	332
Good entertainment and nightlife	6,2	1,606	324	6,4	1,840	324
Unique and different	7,4	1,252	329	8,4	0,914	328
Opportunity for adventure	7,7	1,091	328	8,4	0,843	329
Modern	7,5	1,313	331	7,3	1,571	331
Wild	7,4	1,358	332	8,2	1,101	331
Good cultural experience	7,2	1,406	331	7,4	1,363	330
	Scotland	Scotland	Scotland	Faroe Islands	Faroe Islands	Faroe Islands
Scenic and natural beauty	7,3	1,329	329	6,8	1,567	312
Peaceful and quiet	6,5	1,545	330	7,6	1,422	311
Good tourist facilities	7,2	1,309	328	6,0	1,604	307
Friendly and hospitable	6,8	1,483	325	6,8	1,381	306
Good food and drink	6,1	1,810	327	5,5	1,588	304
Safe place to visit	7,2	1,505	328	7,8	1,256	308
Good entertainment and nightlife	6,8	1,507	322	4,6	1,779	303
Unique and different	6,8	1,456	324	7,4	1,403	304
Opportunity for adventure	7,0	1,444	326	7,0	1,532	309
Modern	6,6	1,442	329	5,5	1,589	307
Wild	6,6	1,518	327	7,3	1,581	308
Good cultural experience	7,3	1,342	327	6,4	1,750	308
	Finland	Finland	Finland	Greenland	Greenland	Greenland
Scenic and natural beauty	6,8	1,536	324	7,0	1,779	314
Peaceful and quiet	7,2	1,452	324	8,2	1,418	311
Good tourist facilities	6,8	1,475	321	5,4	1,846	311
Friendly and hospitable	6,8	1,390	319	6,6	1,559	308
Good food and drink	6,0	1,638	319	5,1	1,742	306
Safe place to visit	7,7	1,309	321	7,7	1,529	310
Good entertainment and nightlife	5,9	1,685	314	4,1	1,924	307
Unique and different	6,9	1,385	317	8,1	1,238	309
Opportunity for adventure	6,9	1,492	317	8,0	1,314	311
Modern	7,0	1,495	320	5,1	1,847	310
Wild	6,9	1,432	320	8,1	1,469	313
Good cultural experience	7,0	1,470	321	6,4	1,976	310

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