Economizing behaviour during travel: strategies and information sources used

Bronner, F.; de Hoog, R.

DOI
10.1177/1356766711409180

Publication date
2011

Document Version
Final published version

Published in
Journal of Vacation Marketing

Citation for published version (APA):

General rights
It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations
If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: https://uba.uva.nl/en/contact, or a letter to: Library of the University of Amsterdam, Secretariat, Singel 425, 1012 WP Amsterdam, The Netherlands. You will be contacted as soon as possible.
Economizing behaviour during travel: Strategies and information sources used

Fred Bronner
University of Amsterdam, The Netherlands

Robert de Hoog
University of Twente, The Netherlands

Abstract
In 2009, the consumer was hit hard by the consequences of the global economic and financial crisis. The crisis affected consumer spending in general and tourism in particular. In 2009, data was collected in the Netherlands about how people economize during travel, which can help to find out what kind of economizing behaviour travellers might adopt when they are confronted with less money to spend on their holidays. It was found that they mainly economize in terms of shorter vacations and changing destinations. Economizing options used differed between low and high income categories and between families with and without children. Evidence was found of a ‘cheese slicing’ strategy: economizing on a set of holiday attributes instead of on only one. Some implications for the tourism industry are suggested.

Keywords
economic crisis, vacation decision-making, economizing behaviour, economizing strategies, use of information sources

Introduction
The current global economic and financial crisis started in the summer of 2007 in the US financial market and subsequently caused a worldwide economic slowdown. For example, the euro zone has been in a recession since September 2008. Effects that hit the individual consumer and traveller hard – like unemployment, loss of income, insecurity of savings, decline of pensions, depreciation of shares – spread in 2009 and is expected to continue in 2010 and thereafter. The moment of recovery is still unclear. The crisis is having effects on consumer spending in general and tourism spending in particular. Tourism spending has experienced greater falls than other consumer spending (Sheldon and Dwyer, 2010), because vacations are considered a non-essential expenditure (Smeral, 2009) and people may prefer to keep that cash for life essentials (Papatheodorou et al., 2010). Nearly all that is known about tourism spending is based on upward-trended data with rising incomes, and not on pessimistic outlooks. Sheldon and Dwyer (2010) argue that there is a need for a better understanding of consumer behaviour and attitudes to travel in the context of an economic recession. Smeral (2009: 3) argues in the same vein: ‘investigations into the effects of financial and economic crises on the tourism industry are quite rare’.

These developments raise the question of what kind of economizing behaviour travellers might adopt when they are confronted with less money available to spend on their holidays. Are trips likely to be closer to home, for a shorter period of time, are travellers sleeping in cheaper hotels, and will...
less be spent on discretionary items? In 2009, data was collected in the Netherlands in a sample representative with respect to socio-demographics and travel behaviour, about economizing behaviour during the main summer holiday. The Netherlands is selected for this study as the Dutch are one of the most active leisure travellers in Europe and even the world (see Bargeman, 2001). More than 80% travel for a long or a short holiday at least once a year. Results can contribute to obtaining insight into how people economize during travel which can provide clues about future economizing behaviour under the impact of the recession. These insights can be useful for strategies in vacation marketing in times of economic crisis.

Economic developments and travel expenditures in the Netherlands in 2009

As stated above, the current economic crisis is global and has also hit the Netherlands. This provides a context for the research into the economizing behaviour of travellers that is sufficiently different from the prosperous situation that dominated the economy for many years.

Figure 1 shows the development of the gross domestic product (GDP) per head of the population in the Netherlands.

As can be seen from Figure 1, after a continuing upward trend between 1980 and 2008, ‘suddenly’ this trend flattens and turns into a downward movement in 2009. In 2008 the GDP per capita was US$40,557 and in 2009 US$39,277, the first decrease in almost 30 years.

The obvious question which arises is if this downward movement is also reflected in the spending of Dutch vacationers? In Table 1, the total amount of travel expenses per year by Dutch vacationers is presented, divided into vacations by Dutch residents in their home country and abroad.

In Figure 2, total holiday expenses from Table 1 are represented graphically. There is a strong upward trend between 2004 and 2008. In 2009 the curve also ‘suddenly’ flattens and turns into a downward movement. The similarity between the graphs in Figure 1 and Figure 2 is striking. It indicates that the economic downturn has also affected the tourism industry. Looking in greater detail to expenses and destinations, it can be concluded that in terms of number of vacations, more distant destinations declined (Spain -17%, Turkey -12%, Greece -14%) and destinations closer to home increased (Germany +17%) (Continuous Vacation Panel, 2010).

Based on this data, it can be concluded that the economic situation and the developments in travel behaviour create a context in which investigating the economizing behaviour of Dutch travellers is interesting.
Research questions

Theories about economizing on travel expenditures are scarce. Furthermore, where there are some theoretical notions about holiday expenditures, they are based: (1) on a macroeconomic framework and not on an individual micro-level; and (2) on income elasticity regarding tourism demand in periods of growth, leading to conclusions like ‘an increase in income will lead to a faster increase in tourism expenditure’ (Fleischer and Rivlin, 2009: 292). Based on fairly recent literature and ideas put forward during the 20th Anniversary Conference of the Academy for the Study of Tourism (Mallorca, 2009), three exploratory research questions have been formulated and elaborated.

In studying the economizing behaviour, one can focus either on economizing by giving up travelling or economizing by trading down within a vacation. From the literature, it is known that consumers nowadays tend to cut down on their holiday expenditures rather than giving up travelling altogether (Smeral, 2009), and tend to sacrifice secondary holidays rather than their main holiday (Smeral, 2010). In addition, at least in the Netherlands, the main summer holidays constitute the largest market segment in terms of money spent and duration, both being two-thirds (CBS, 2009). This makes it a major target for vacation marketing. So it was decided to focus on the trading-down process and include in the research only individuals

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home country</td>
<td>2.57</td>
<td>2.48</td>
<td>2.57</td>
<td>2.70</td>
<td>2.70</td>
<td>2.78</td>
</tr>
<tr>
<td>Abroad</td>
<td>10.12</td>
<td>10.26</td>
<td>10.41</td>
<td>11.10</td>
<td>12.55</td>
<td>12.32</td>
</tr>
<tr>
<td>Total</td>
<td>12.69</td>
<td>12.74</td>
<td>12.98</td>
<td>13.80</td>
<td>15.25</td>
<td>15.10</td>
</tr>
</tbody>
</table>

Source: Continuous Vacation Panel, NBTC-NIPO Research (2010)

Figure 2. Total amount of money spent by Dutch vacationers 2004–2009, in billion €
who went on a main summer holiday in the Netherlands or abroad, and exclude people who stayed completely at home for the summer holiday. As Dolnicar et al. state (2008), this is common practice in studies in which the determinants of tourism expenditure are investigated. A drawback, consequently, is that one cannot generalize the findings to non-travelling populations.

RQ1: Which attributes of the holiday are economized on, and can differences corresponding to demographics be identified?

A holiday trip can be considered as a bundle of attributes about which separate decisions can be made (Litvin et al., 2004). Thus, the individual must make an expenditure allocation decision with regard to each element of a given bundle. A vacationer can economize on attributes x and y and decide to spend the usual amount on attribute z. In general, economizing on one attribute does not imply economizing on another attribute, so vacationers are free to cut down on almost any combination of attributes. The literature provides some input for the most relevant attributes which offer saving opportunities. In the first place, tourists can travel closer to home and switch to closer destinations. Papatheodorou et al. (2010) call this phenomenon a ‘staycation’. Other attributes are: shorter length of stay and trading down (lower-cost carriers, lower-standard hotels, business class to economy; see Sheldon and Dwyer, 2010). Another option is to save by choosing another moment of booking. For this saving opportunity, there may be two different reasons (Smeral, 2010): (1) because vacationers are not confident of their future job situations; and (2) because they hope to profit from last-minute bargains and cheaper deals. Also, tourists can reduce expenses on recreational activities on the spot. Rosenbaum and Spears (2006) make a distinction between three types of these expenses: sightseeing (boat tour, bus tour), entertainment (dancing, nightclub, cinema, cultural landmarks, concerts) and shopping. One can economize on different combinations of these three types of ‘on the spot’ expenses.

Based on this literature, a set of attributes a vacationer could economize on was included in the questionnaire (see the section ‘Research design and data collection’).
to their home? From previous general information-search studies (Bronner and de Hoog, 2010, 2011), it is known that two types of sources play a role: (1) marketer-generated sources, like websites of tour operators, airline companies, hotels, camping sites or printed brochures or advertising; and (2) consumer-generated sources such as WOM (Word-Of-Mouth) and eWOM (electronic Word-Of-Mouth).

WOM refers to traditional offline interpersonal information sources: for example asking a friend to recommend a cheaper but excellent camping site in France. By contrast, eWOM involves consumers’ comments about products and services posted on reviewer sites on the internet (e.g. Tripadvisor); for example, the rating of a hotel on a star-scale and textual comments on the services and location. eWOM is growing strongly in importance for travel information searching (Xiang and Gretzel, 2010), but one surely cannot conclude that eWOM will render other sources of information used in consumer decision-making obsolete. In an earlier study (Bronner and de Hoog, 2010), it was concluded that consumer- and marketer-generated sources are to a large extent complementary, and that they reinforce each other’s effects. Pan and Fesenmaier (2006) refer to this as a symbiotic relationship. Does this symbiotic relationship between consumer- and marketer-generated sources also exist when vacationers seek information that helps in making economizing decisions?

Summarizing this section, it can be stated that investigations into the effects of financial and economic crises on the tourism industry are mostly from the 1970s and 1980s. The research reported intends to contribute actual insight into ways travellers could possibly deal with the need to economize and investigate the economizing behaviour of a sample of vacationers representative of the Dutch population in relation to their main summer holiday in 2009. Three research questions have been formulated and these provide the framework for the research.

Research design and data collection

The sample in this research is a sub-sample from the sample of the Dutch ‘Continu Vakantie Onderzoek’ (CVO – Continuous Vacation Panel; see also Bargeman and van der Poel, 2006; Bronner and de Hoog, 2008). This panel consists of respondents who report on their vacation behaviour four times a year. It is refreshed annually. The respondents are recruited partly by telephone and partly by email. The CVO data is weighted for socio-demographics, resulting in a sample that can be considered as representative of the Dutch population for variables crucial to the vacation decision. All tour operators in the Netherlands make use of this data, and the study is considered to be the standard for obtaining insight into holiday plans and decisions. The fieldwork is carried out by TNS NIPO, one of the leading Dutch market research agencies. For data collection, CASI (Computer Assisted Self Interviewing) is used. Respondents can answer the questions at home at a time that is convenient to them and can take the time they require to answer the questions. This customer-friendly approach increases response and data quality (Bronner and Kuijlen, 2007).

Within this CVO panel, all participants who took a main summer holiday in the Netherlands or abroad in July, August or September 2009 (n = 3195) were asked a filter question about whether they economized on their recent summer holiday.

For the travellers who economized, the following questions referring to their actual economizing behaviour for this holiday were asked.

For 10 attributes of a holiday, which are candidates for economizing and play a role in vacation decision-making, it was asked whether the respondent did economize on this attribute or not. These attributes are based on extensive qualitative and quantitative research with tour operators and consumers in the Netherlands. This set is, in the CVO context, seen as representing the most relevant aspects of a holiday decision and is similar to international findings (Litvin et al., 2004). This set of attributes consists of:

- shorter length of stay;
- changing the destination (other country);
- choosing a cheaper tour operator;
- choosing a self-arranged vacation instead of using a tour operator;
- changing the period (earlier or later);
- selecting an earlier or later booking moment;
- using another means of transport;
- carrying out fewer or other activities on the spot (with examples taken from Rosenbaum and Spears, 2006);
- choosing another type of accommodation; and
- choosing a cheaper alternative within the same type of accommodation.
For each of the attributes, economizers were filtered and asked the following question about gathering information:

“You economized by spending less money on ... (attribute x); for this decision, did you use the information sources listed below: yes/no.’

These information sources are:

- information on websites of airline companies, tour operators and other suppliers of holiday accommodation;
- information on review websites where other vacationers evaluate, give opinions and advice (e.g. Tripadvisor);
- tips and advice of friends, relatives and acquaintances;
- brochures of travel organizations;
- advertising in newspapers, television and radio; and
- travel guides.

In addition, data was obtained about socio-demographics: gender, age, income, social class and family situation.

Results

The first research question is: on which attributes of a holiday did vacationers economize? Table 2 shows the percentage of vacationers who did economize on each attribute. As one could economize on as many attributes as fitted the actual situation, percentages do not add up to 100%.

As can be seen from Table 2, the top-ranking attributes on which vacationers economized in 2009 are shorter length of stay, changing the destination, spending less on activities on the spot and choosing another type of accommodation. Also, Table 2 shows that there is quite some variation in economizing on attributes, ranging from 53% to 24%. No single economizing option is dominant, nor is an economizing option almost never chosen. The high score of changing the destination to another country is in line with data presented above which show that more distant destinations declined and destinations closer to home increased.

The second research question is whether, and how, vacationers combine economizing opportunities. As a maximum, one could have economized on all 10 attributes. Table 3 shows this combination of economizing on attributes.

More than half of the vacationers economized on three sub-decisions or fewer, while 45% economized on four sub-decisions or more. This indicates that the ‘cheese slice’ is applied across a set of attributes rather than on a single attribute.

A relevant question is whether economizing patterns are related to background variables. For income, an effect was found (ANOVA $F = 9.7$, d.f. = 3/633, $p = .000$). A post hoc Tukey test shows that the lowest income category (gross annual family income less than US$40,000) differs significantly from all others, in that this category economized simultaneously on most attributes (average = 4.7), when compared with all other income categories (averages between 3.1 and 3.7). Also, an effect was found as regards family situation (ANOVA $F = 6.2$, d.f. = 1/732, $p = .013$), with vacationers with children living at home economizing simultaneously on fewer attributes (average = 3.3) than vacationers without children living at home (average = 3.8). This is an indication that vacations have a special role in family life which vacationers try to maintain even in a period of economic downturn. Family travel is
perceived as an important builder of family well-being (Chesworth, 2003).

Strengthening family or kinship ties appears to be an important travel benefit (Lehto et al., 2002). For a family to function well, ‘time spent together’ is a key element and a holiday can be seen as a reconfiguration of interpersonal distance, from hectic separate individual lives to a unit of individuals who seek experience together and reunite (Lehto et al., 2009).

No significant relations were found with gender, age or region.

As a refinement of Table 2, the question is whether there are also differences related to background variables for the separate attributes. Table 4 summarizes the results for income.

Table 4 shows that for nearly all attributes there are significantly more economizers in the low income category than in the highest income category. Exceptions are length of stay and another type of accommodation. From a ‘cheese slice’ perspective both segments economize, but the low income category ‘slices’ more of almost all attributes as compared with the highest income category. This indicates that both income categories use the ‘cheese slice’ approach, but differ in the number of slices.

Table 5 shows, in the same way as Table 4, the results for the effect of family situation.

In Table 5, the differences are less marked than in Table 4. Vacationers without children at home opted more frequently for a shorter length of stay, choosing a self-arranged vacation and changing the period. The latter item is not surprising, as vacationers with children living at home do not have this flexibility, since they are constrained by school holidays.

The notion of patterns or clusters of attributes was already touched on while discussing Table 3. Research question two focuses on these patterns. In order to find groups of attributes, an exploratory factor analysis was carried out on the 10 attributes, in two steps. In the first step, one attribute loaded high on more than one factor (choosing a cheaper tour operator), and this item was deleted in the second step. This second exploratory factor analysis with a Varimax rotation yielded three factors with Eigenvalues > 1, together explaining 56% of the variance. Table 6 gives this three factor solution and the factor loadings of the attributes.

From Table 6, it can be derived that three groups of attributes can be identified as follows:

- **Factor 1** Attributes related to the detailed configurability of a vacation (type of accommodation, other accommodation in the same type, means of transport, arranging it yourself).
- **Factor 2** Attributes with a kind of ‘wait-and-see attitude’, that is, postponing the decision somewhat (booking later or earlier, choosing another period, fewer activities on the spot).
- **Factor 3** Attributes influencing the overall flavour of the vacation (shorter stay, destination).

### Table 4. Income and economizing on attributes

<table>
<thead>
<tr>
<th>Vacation attribute on which one could economize</th>
<th>% of lowest income group that economized on attribute (n = 128)</th>
<th>% of highest income group that economized on attribute (n = 106)</th>
<th>( \chi^2 ) over entire range*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shorter length of stay</td>
<td>59</td>
<td>53</td>
<td>NS</td>
</tr>
<tr>
<td>Changing the destination (other country)</td>
<td>54</td>
<td>53</td>
<td>( \chi^2 = 8.3, \text{d.f.} = 3, p = .04 )</td>
</tr>
<tr>
<td>Fewer kinds of activities on the spot</td>
<td>59</td>
<td>35</td>
<td>( \chi^2 = 19.4, \text{d.f.} = 3, p = .000 )</td>
</tr>
<tr>
<td>Another type of accommodation</td>
<td>48</td>
<td>33</td>
<td>NS</td>
</tr>
<tr>
<td>Choosing a self-arranged vacation instead of using a tour operator</td>
<td>45</td>
<td>26</td>
<td>( \chi^2 = 11.2, \text{d.f.} = 3, p = .01 )</td>
</tr>
<tr>
<td>Changing the period (earlier or later)</td>
<td>48</td>
<td>26</td>
<td>( \chi^2 = 19.6, \text{d.f.} = 3, p = .000 )</td>
</tr>
<tr>
<td>Cheaper alternative within the same type of accommodation</td>
<td>45</td>
<td>23</td>
<td>( \chi^2 = 13.1, \text{d.f.} = 3, p = .005 )</td>
</tr>
<tr>
<td>Earlier or later booking moment</td>
<td>45</td>
<td>22</td>
<td>( \chi^2 = 24.2, \text{d.f.} = 3, p = .000 )</td>
</tr>
<tr>
<td>Using another means of transport</td>
<td>33</td>
<td>24</td>
<td>( \chi^2 = 8.0, \text{d.f.} = 3, p = .046 )</td>
</tr>
<tr>
<td>Choosing a cheaper tour operator</td>
<td>37</td>
<td>14</td>
<td>( \chi^2 = 19.4, \text{d.f.} = 3, p = .000 )</td>
</tr>
</tbody>
</table>

* \( \chi^2 \) was calculated for the full range; that means: 4 income categories. For purposes of clarity, the table is restricted to the highest and lowest income categories.
Based on these factors and the amount of variance they explain, it can be concluded that the Dutch vacationers who economized on their vacation used the ‘cheese slice’ strategy, but that they tend to do this for groups of attributes or, in other words, three ‘thicker’ slices rather than 10 unconnected small ones.

Finally, the third research question addressed the information sources vacationers used when considering economizing options. Table 7 shows the results.

Marketer-generated sources are used most frequently (on average 40%), with their websites clearly in the lead. This is probably related to the fact that, in any case, these sources contain the most information about options like other and cheaper accommodation, booking moment and whether or not tour operators are

---

Table 5. Lifecycle and economizing on attributes

<table>
<thead>
<tr>
<th>Vacation attribute on which one could economize</th>
<th>% families without kids living at home that economized on attribute ((n = 514))</th>
<th>% of families with kids living at home that economized on attribute ((n = 220))</th>
<th>(\chi^2) over entire range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shorter length of stay</td>
<td>56</td>
<td>46</td>
<td>(\chi^2 = 6.4, \text{ d.f.} = 1, p = .01)</td>
</tr>
<tr>
<td>Changing the destination (other country)</td>
<td>49</td>
<td>43</td>
<td>NS</td>
</tr>
<tr>
<td>Fewer kinds of activities on the spot</td>
<td>46</td>
<td>43</td>
<td>NS</td>
</tr>
<tr>
<td>Another type of accommodation</td>
<td>43</td>
<td>40</td>
<td>NS</td>
</tr>
<tr>
<td>Choosing a self-arranged vacation instead of using a tour operator</td>
<td>37</td>
<td>26</td>
<td>(\chi^2 = 9.0, \text{ d.f.} = 1, p = .003)</td>
</tr>
<tr>
<td>Changing the period (earlier or later)</td>
<td>36</td>
<td>26</td>
<td>(\chi^2 = 7.8, \text{ d.f.} = 1, p = .005)</td>
</tr>
<tr>
<td>Cheaper alternative within the same type of accommodation</td>
<td>32</td>
<td>35</td>
<td>NS</td>
</tr>
<tr>
<td>Earlier or later booking moment</td>
<td>32</td>
<td>27</td>
<td>NS</td>
</tr>
<tr>
<td>Using another means of transport</td>
<td>29</td>
<td>25</td>
<td>NS</td>
</tr>
<tr>
<td>Choosing a cheaper tour operator</td>
<td>25</td>
<td>21</td>
<td>NS</td>
</tr>
</tbody>
</table>

Table 6. Factor analysis solution of economizing on holiday attributes

| Sub-decision | Factor | | | |
|--------------|--------|--------|--------|
| Another type of accommodation               | .783*  | .066   | .009   |
| Choosing a self-arranged vacation instead of using a tour operator | .686   | .263   | .120   |
| Using another means of transport            | .593   | .024   | .419   |
| Cheaper alternative within the same type of accommodation | .580   | .351   | .063   |
| Changing the period (earlier or later)      | .106   | .839   | .088   |
| Earlier or later booking moment             | .104   | .812   | .170   |
| Fewer kinds of activities on the spot       | .222   | .553   | -.038  |
| Shorter length of stay                      | -.056  | .166   | .817   |
| Changing the destination (other country)    | .318   | -.002  | .683   |

*Factor loadings after Varimax rotation
cheaper. Consumer-generated sources are second, with WOM being used more frequently than eWOM. A possible explanation for this is that eWOM sources will mainly report about vacations in 2008, when writing about economizing options was not really a topic that could raise the interest of other vacationers. In this respect, WOM has the benefit of being more adaptive to changing questions that emerge when economic conditions suddenly alter. Third-party sources are not used as often as the other sources; obviously they are even less flexible than marketer-generated sources and consumer-generated sources. Moreover, they will not be very helpful for deciding on economizing options like shorter length of stay, changing the period, selecting a later or earlier booking moment and choosing a cheaper tour operator, which limit their usefulness. In addition, it should be noticed that for the most frequently-used economizing options from Table 2 (shorter length of stay and changing the destination), information sources will generally not be very helpful for decision making. Finally, it appears that the idea of a symbiotic relationship between marketer-generated information and consumer-generated information, as set out in the Research questions section, also applies when economizing decisions are taken with the help of information sources.

Summary

Based on the literature, three research questions were formulated. Below, the answers to these questions are summarized.

Table 7. Information sources used when taking economizing decisions

<table>
<thead>
<tr>
<th>Information source</th>
<th>% used for taking economizing decisions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marketer-generated sources:</strong></td>
<td></td>
</tr>
<tr>
<td>Websites</td>
<td>40</td>
</tr>
<tr>
<td>Brochures/printed material</td>
<td>23</td>
</tr>
<tr>
<td>Advertising</td>
<td>10</td>
</tr>
<tr>
<td><strong>Consumer-generated sources:</strong></td>
<td></td>
</tr>
<tr>
<td>eWOM</td>
<td>34</td>
</tr>
<tr>
<td>WOM</td>
<td>16</td>
</tr>
<tr>
<td><strong>Third party sources:</strong></td>
<td></td>
</tr>
<tr>
<td>Travel guides</td>
<td>12</td>
</tr>
</tbody>
</table>

*For all 10 attributes and for 6 information sources, it was asked whether or not the source was used. The averages over the 10 attributes for each source are presented in this table.

On which attributes of the holiday are economies made and can differences corresponding to demographics be identified?

The top-ranking attributes on which vacationers economized in 2009 are: shorter length of stay, changing the destination, spending less on activities on the spot, and choosing another type of accommodation. Also, there is quite some variation in economizing on attributes, ranging from 53% to 24%. No single economizing option is dominant, nor is an economizing option almost never chosen. Concerning demographics, significant relations were found between different income categories and family situation. For nearly all attributes, there are significantly more economizers in the low income category than in the highest income category. Exceptions are length of stay and choosing another type of accommodation. Vacationers without children at home opted more frequently for a shorter length of stay, choosing a self-arranged vacation and changing the period.

Can the economizing behaviour be grouped according to combinations of attributes on which economies are made? Three groups of attributes were identified:

- **Factor 1** Attributes related to the detailed configurability of a vacation (type of accommodation, other accommodation of the same type, means of transport, arranging it yourself).
- **Factor 2** Attributes with a kind of ‘wait-and-see attitude’, that is, postponing the decision somewhat (booking later or earlier, choosing another period, fewer activities on the spot).
- **Factor 3** Attributes influencing the overall flavour of the vacation (shorter stay, destination).

Which information sources are used during economizing decisions?

Marketer-generated sources are used most frequently (on average 40%), with their websites leading. Consumer-generated sources are a close second, with, somewhat surprisingly, WOM being used more frequently than eWOM. It appears that the idea of a symbiotic relationship between marketer-generated information and consumer-generated information also applies when economizing decisions are taken with the help of information sources. In an earlier study
(Bronner and de Hoog, 2010) it was found that for some attributes vacationers use primarily market-generated sources (e.g. location) and for other attributes primarily consumer-generated sources (e.g. service at the accommodation), which underpins the complementary role of both information sources.

Conclusions

The research reported on in this contribution can be used to shed light on vacation decision-making by travellers in the context of the current economic downturn. This issue is becoming more important in tourism research and practice, as evidenced by two quotes taken from recent literature:

- Sheldon and Dwyer (2010: 4) argue that: ‘a better understanding of consumer behaviour and attitudes to travel is needed in times of economic recession. Our lack of knowledge about possible consumer responses to the crisis places great impediments in the way of forecasting its effects on the industry’.

- Papatheodorou et al. (2010: 39) state that: ‘The tourism industry is in crying need of information and knowledge for decision-making and for strategies to effectively respond to the current situation’.

Apart from the answers to the specific research questions as summarized in the previous section, at a more general theoretical level the notion of economizing strategies emerged. As many people lived for a long time in a rising income situation, little attention has been paid in the literature to consumer economizing strategies and tactics. In older literature (referring to the crisis of the end of the 1970s and the early 1980s), a ‘pruning’ strategy is found. This entails consumers shifting between discretionary expenditures and non-discretionary expenditures and people sacrificing luxury extras like vacation trips. In the current 2009 crisis, another strategy seems to be more used by vacationers, as the number of vacations increases but the amount spent decreases. This can be referred to as a ‘cheese slicing’ strategy, which means that vacationers prefer to cut down on combinations of attributes rather than skipping the holiday altogether. From the research reported, an emerging pattern is that these attributes are grouped in three ‘slices’, reflecting a configurability group of economizing options used, a time-related group, and a group containing two essential preconditions for a holiday (when and where to go). It will be interesting to see if this pattern persists in the future or not. Furthermore, it is interesting to investigate the relation between intended economizing and actual economizing by vacationers. In 2010 we carried out a panel study with a measurement before the holiday and after the holiday, which shows discrepancies between intentions and behaviour, leading to more insight into economizing behaviour during travel.

For the tourism industry and vacation marketing, this research has an action-oriented message. This has to do with the need to adjust marketing messages and package offers to the ‘cheese slicing’ strategy. This means that more attention should be paid to offering economizing options, for example by creating upgrading and downgrading packages that allow tourists to save money on various details of a holiday. In addition, packages can be developed combining domestic destinations and destinations abroad, as there is a strong tendency to stay closer to home. As tourists use marketer-generated information sources quite frequently for helping to decide on economizing options, this offers an opportunity to combine promotional marketing goals and assistance for decision making in times of economic hardship.

Acknowledgements

The authors would like to thank Ad Schalekamp (TNS NIPO) and Kees van der Most (NBTC NIPO) for their stimulating comments and for the funding of the fieldwork for this study.

Funding

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

References


Bronner F and Kuijlen T (2007) The live or digital interviewer: a comparison between CASI, CAPI and CATI with respect to differences in response


