Predicting effects of demographics and moderating power of engagement on residents' perceptions of tourism development

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Received: 28/11/2012 Accepted: 22/04/2013

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Abstract

Community engagement in tourism development must be given high cognizance as presence of community acceptance can yield favorable and supportive effect on sustainable development whereas lack of community acceptance can have adverse effect. By examining Indianapolis residents' perceptions on how the Cultural Trail has improved the city's cultural tourism development, this study investigates the predicting effects of community attachment by means of residents' demographic profiles (i.e. gender, ethnicity, age, and income) which shows that the residents' perceptions vary in accordance to their demographic characteristics. The results also demonstrate that the perceptual differences are moderated by the residents' level of engagement with the new major attraction of the Cultural Trail. This study recommends that there is a need for the tourism planners and marketers to promote and increase the awareness of tourism development among the local residents.

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Keywords: community engagement, demographics, tourism development

Citation: Wang, S. (2013) Predicting effects of demographics and moderating power of engagement on residents' perceptions of tourism development. *European Journal of Tourism Research* 6(2), pp. 170-182

Introduction

Residents' positive perceptions toward tourism development will guarantee that tourism can add to the vitality of communities and that residents are strong advocates of tourism development. To ensure successful and sustainable urban tourism development, both external marketing messages (to visitors and

tourists' generating markets) and internal marketing messages (to city residents and stakeholders) are just as important. Jurowski, Uysal & Williams (1997) note that internal marketing messages are imperative to explain the social benefits of tourism to residents looking to reduce opposition and to form a favorable destination image. To ensure

successful marketing to the local community, an essential priority for a tourism authority is to attain a good understanding of residents' perceptions of urban tourism development. The active support of host communities can be crucial for successful tourism development (Gursoy and Rutherford, 2004). Urban tourism authorities now strive to understand how the public perceives the tourism industry in order to gain their support for tourism projects or initiatives (Harrill, 2004). If local residents become more aware of the positive characteristics of their regions, they are more likely to become ambassadors (Schroeder, 1996).

Predicting role of demographic characteristics on residents' perceptions

According to Perdue *et al.* (1990), the importance of a community resident study on perceptions of tourism is twofold: (1) it helps to identify resident perceptions of tourism and (2) it helps to examine resident support for additional tourism development and specific development policies. Numerous studies have focused on residents' perceptions of tourism development and impacts (Brougham & Butler, 1981; Allen *et al.*, 1988; Dieke, 1989; Perdue *et al.*, 1990; Ap, 1992; Jurowski, Uysal & Williams, 1997; Schroeder, 1996; Chen, 2000; Chen & Hsu, 2002; Lui, 2003; Harrill, 2004; Gursoy & Rutherford, 2004; Andereck *et al.*, 2007; Diedrich *et al.*, 2009; Lee *et al.* 2010; Cu and Ryan, 2011; Vargas-Sanchez *et al.*, 2011, and Nunkoo & Gursoy, 2012). Few studies, however, have focused on residents' demographic characteristics in measuring their perceptions (Brougham and Butler's, 1981; Allen *et al.*, 1988; Lindberg and Johnson, 1997; Andereck *et al.*, 2007). For instance, in Brougham and Butler's (1981) study, they consider age, gender, language, length of residency in an area and location relative to tourist movements as important factors in determining a resident's perception of tourism and stress that segmentation based on demographics is essential in determining differences in resident attitudes. People in different cultures have different needs, wants and attitudes (Irwin *et al.*, 1990). Lindberg and Johnson (1997) demonstrate empirically that demographic variables, in general, affect attitudes through values. According to

Andereck *et al.* (2007), segmentation by ethnicity as well as by age, gender and other factors is necessary to determine the differences and similarities between various segments of a resident population.

The typical types of demographics for marketing are gender, ethnicity, age, and income which are commonly used in literature when measuring resident perceptions. Literature review indicates that there is a relative lack of interest in the demographic profiles when studying residents' perceptions which might be due to the inconsistent results identified in previous studies. For instance, ethnicity is considered to be an important factor explaining variations in attitudes toward tourism development (Um & Crompton, 1987) and in an urban tourism study by Williams and Chacko (2008), African Americans and Caucasians are observed to perceive city attributes differently. In addition, income is identified as a significant dimension in urban resident's attitude toward tourism (Perdue *et al.*, 1990; Chen 2000). According to Wang and Pfister (2008), females are more likely to report benefits and enjoyments than males and males perceive less benefits from downtown revitalization and arts/cultural activities. In terms of age, Wang, King and Heo (2010) note that senior residents are more likely to report positively on tourism development than junior residents. In contrast, Liu and Var (1986) did not find significant differences in attitudes based on ethnicity. Schroeder (1992) reports that socio-economic variables are not good predictors of Flagstaff, Arizona resident's attitudes toward tourism. Perdue *et al.* (1990) concludes that socio-economic characteristics do not predict resident's attitudes toward tourism in their study on 16 Colorado communities. The inconsistency of results indicates a necessity of conducting more empirical studies to examine if and how demographics may influence residents' perceptions of tourism development.

Tourism scholars have suggested that residents have been marginalized and subordinated by the tourism development process and should instead be treated as major stakeholders (Choi & Sirakaya, 2005). Tosun and Timothy (2001) state that 'lack of community based approaches' is one of the

key shortcomings of tourism development. According to Reiser and Crispin (2009), if the locals do not believe in, or become engaged in the process, then they may actively work to undermine the effort of the development agency. This study assumes that residents of different demographic backgrounds may perceive tourism development differently; in addition, the demographics may not function alone by itself in predicting residents' perceptions and instead may be moderated by other factors such as residents' community engagement. McCool and Martin (1994) define community attachment as the extent and pattern of social participation and integration into the community. Kitnuntaviwat and Tang (2008) find that residents' sense of community affect the way residents perceive tourism and their reactions to tourism development. In order for sustainable tourism to succeed, participation of the local community is vital and should be considered in understanding residents' perceptions and behavioral intentions in the process of tourism development. According to Gursoy *et al.* (2002), support for tourism development by residents is influenced by such factors as the level of community involvement and extent to which residents utilize resources, and perceived costs and benefits of the tourism development.

Past research has measured resident attachment in various ways. Um and Crompton (1987) measured resident attachment levels in a community based on length of residence, birthplace and ethnic heritage. Williams *et al.* (1995) measured community attachment based on length of residence, age and income. Jurowski (1998) measured attachment by looking at how respondents rated their quality of life and satisfaction with the community as a place to live. Yet, few studies have ever attempted to examine other factors' impact when analyzing the predicting role of residents' demographic profiles.

Consequently, the proposition for this study is to examine the predicting role of demographic characteristics on residents' perceptions, and the effectiveness of the moderating role of residents' engagement in recreational facilities. The purpose of this paper is not only to discuss

the importance of residents' demographic in predicting their perceptions of tourism development, but also to emphasize the significance of community engagement in the process of enhancing residents' awareness of the importance of such developments. Hence three hypotheses are developed as follows:

H1: Demographic variables (i.e. in the categories of gender, ethnicity, age and income, respectively) have significant influence in predicting residents' perceptions of urban tourism development.

H2: Residents' engagement is significant in predicting residents' perceptions of urban tourism development.

H3: Residents' engagement has significant moderating effect over the demographic variables (i.e. in the categories of gender, ethnicity, age and income, respectively) in predicting residents' perceptions of urban tourism development.

Research Methods

Place of the Study

Being known as a major sport and event city in the United States, Indianapolis (Capital of Indiana) adds cultural tourism to the city profile. It establishes the Indianapolis Cultural Tourism Initiative to support and encourage a cultural environment, help improve the quality of life for Indianapolis residents, and enhance visitors' experience. The measures include renewal or construction of a number of cultural attractions such as its six cultural districts. As the 13th largest city and the second most populous state capital in the United States, Indianapolis has strived to position itself as an urban cultural tourism destination by highlighting its new identity. The recent project of the Indianapolis Cultural Trail, with all the trail sections being completed at the end of 2011, aims to build a world-class urban trail that connects the six cultural districts. Its goal is to nationally and globally position Indianapolis as an urban cultural tourism destination (Payne, 2010). Because it is the city's intention to build the Cultural Trail to increase pride, create cultural identity, and increase knowledge of the city, it becomes important to understand the perceptions of the residents and, in doing so, try to maximize residents' positive perceptions.

Key Indicators / Constructs of Indianapolis' Urban Tourism Development

With respect to measuring the success of the city's initiative of developing urban cultural tourism, Wang, Yamada, and Brothers (2011) conducts a study in Indianapolis shows that the city is not perceived to be a successful cultural destination based on Murphy and Broyles' (2006) conceptual model. Moreover, the study identifies some important factors which are key to the success of the city's urban tourism. These key factors are the attractiveness of the city, residents' awareness enhancement, civic pride/city image, and unique selling point of the city. With the completion of the Cultural Trail, a logical step is to measure how the addition of this major attraction has helped improve the city's profile as an urban tourism destination. This study will focus on these key factors as identified by Wang *et al.* (2011) and measure how residents' perceptions of these key factors have been enhanced as a result of the newly-constructed major attraction.

This study uses constructs instead of single items to measure each of the key factors. According to Stewart *et al.* (1992), compared with a single-item measure, a multi-item index can increase score reliability by pooling information that items have in common, increase validity by providing a more representative sample of information about the

underlying concept, and increase responsiveness or precision by decreasing score variability. Each construct is measured by two items and consequently a summated score of the two items will be calculated to represent the value of each construct. Table 1 displays the four constructs and each construct's two corresponding items which are directly measured.

In terms of the hypothesis testing, each of the four constructs will be treated as a separate dependent variable. Thus there are three hypotheses to be tested in this study and each hypothesis is composed of four separate sub-hypotheses (i.e. to test the constructs of 'attractive', 'aware', 'pride' and 'unique', respectively, in each hypothesis testing).

Survey Instrument

A self-administered questionnaire is designed to measure residents' perceptions as to how the Cultural Trail has improved the city's cultural tourism development with regards to the items listed in Table 1. The questionnaire includes all these measurement items plus the demographic variables of gender, ethnicity, age and household income. In addition, there is a question to measure the use of the Cultural Trail by the residents, i.e. the level of residents' engagement with the Cultural Trail. After the survey instrument was designed, it was

Table 1. The constructs and the corresponding questions to be measured

Number	Constructs	Measured Items
1	'Attractive' - Attractiveness of the city for being a cultural tourism destination:	How do you think of Indianapolis as a cultural tourism destination? (1 - very unattractive, 5 - very attractive). In your opinion, more visitors coming to Indianapolis will make this city's life - (1. much worse, 5 - much better).
2	'Aware' - Awareness enhancement of cultural tourism	The Cultural Trail makes distinctive improvements in 'awareness enhancement of cultural tourism in local community' (1- strongly disagree, 5 - strongly agree). The Cultural Trail makes distinctive improvements in 'providing more cultural activities and events in the city' (1- strongly disagree, 5 - strongly agree).
3	'Pride' - Civic pride and renewed image	The Cultural Trail makes distinctive improvements in 'residents' sense of civic pride of the city' (1- strongly disagree, 5 - strongly agree). The Cultural Trail makes distinctive improvements in 'fostering a renewed or improved city image' (1- strongly disagree, 5 - strongly agree).
4	'Unique' - Uniqueness of the city as a cultural tourism destination	The Cultural Trail makes distinctive improvements in 'establishing a unique selling point of the city's cultural tourism' (1- strongly disagree, 5 - strongly agree). The Cultural Trail makes distinctive improvements in 'creation of the city's unique culture and heritage' (1- strongly disagree, 5 - strongly agree).

presented to a group of tourism major students (N=40) in a tourism research class as a discussion topic and the students were asked to comment on the relevance of the items to Indianapolis hence suggestions regarding the phrasing of statements were made. These comments were then taken into account based on which the questionnaire was refined. Prior to the first round of survey, a pilot test was then conducted to further examine the appropriateness of the item wording, the overall design of the survey instrument and amendments were made on wordings to ensure the questions are readily understandable and consistent with the study objectives.

Data Collection

Three rounds of the traditional paper-and-pencil surveys were conducted from 2010-2011, i.e. in October of 2010, April and October of 2011 at several different locations in downtown Indianapolis along the Cultural Trail. Prior to each data collection, training about interacting with respondents was carried out by the principal researcher and detailed information was provided to the survey assistants to ensure they had full knowledge of respondents' rights and the purpose of the research. Due to the fact that the Cultural Trail is located around the downtown area, convenience sampling is employed such that residents walking or resting in these areas are intercepted simply based on convenience and availability. The city residents who are 18 years or older are eligible to

participate in the surveys. These residents are walking, jogging or taking a break on or around the Cultural Trail in the downtown while being intercepted. The research assistants are all the undergraduate seniors majoring in tourism management. As a result, a total of 944 usable questionnaires are collected.

Data Analysis

Descriptive statistics are run to report the summated means of the constructs in different demographic segments. The Independent-samples t-tests, one-way and two-way ANOVAs are implemented for the purpose of hypotheses testing. Hypotheses 1 and 2 are tested with the Independent-samples t-tests (which is to detect the mean score differences between two independent groups) and one-way ANOVAs (which is used to examine the mean differences between more than two independent groups). The two-way ANOVAs are conducted to test Hypothesis 3 (i.e. to examine the interactive effect of two independent variables on one dependent variable).

Not all the demographic groups are big enough for the purpose of hypothesis testing in this study given that the sample size of some demographic groups is too small (i.e. less than 30 respondents). For instance, hypothesis testing is only conducted between the two ethnic groups -white (abbreviated as 'W' in the following Table 3) and African Americans

Table 2. Respondents' demographic profiles

<i>Characteristics</i>	<i>n</i>	<i>%</i>	<i>Characteristics</i>	<i>n</i>	<i>%</i>
Age			Ethnicity		
18 – 25	265	27.7	Hispanic	42	4.5
26 – 35	283	29.6	Black, not of Hispanic origin	136	14.6
36 – 45	177	18.5	White, not of Hispanic origin	678	72.7
46 – 55	141	14.8	Asian or pacific islander	45	4.8
56 – 65	69	7.2	Other	31	3.4
66 or older	20	2.1	Household income		
Gender			less than 30,000	289	31.3
Male	440	45.5	30,000 - 60,000	312	33.8
Female	504	52.1	60,001 - 90,000	170	18.4
			90,001 - 120,000	67	7.3
			Over 120,001	86	9.4

(annotated as 'B'), the four age groups - 18-25 years old (annotated as 'a1'), 26-35 years old ('a2'), 36-45 years old ('a3') and 46-55 years old ('a4'), the three income groups - less than \$30,000 ('i1'), \$30,001-60,000 ('i2') and \$60,001-90,000 ('i3'), and the two gender groups - males ('M') and females ('F'). Due to the same reason, the variable of 'Engagement (En)' has to be recoded to convert its original five levels of engagement into three levels, i.e. 'en1' - not involved, 'en2' - low involvement and 'en3' - high involvement, to ensure that each group has a minimum of 30 respondents.

Results

Respondents' Demographic Profiles

Table 2 shows the respondents' demographic characteristics. Over half of the respondents (57%) are at the age of 35 or younger, and very few (2.1%) are 66 years old or older. Another feature is that more females (52.1%) than males (45.5%) participate in the surveys. Most of the respondents are white, not of Hispanic origin (72.7%). Approximately one third of the respondents report to earn a household income below \$30,000, one third have household income between \$30,000 and 60,000, and the other one-third are above \$60,000.

Mean Ratings of Residents' Perceptions of Tourism Development

The summated mean scores of the four constructs are displayed in Table 3 in each cell cross-tabulated with the demographic categories and the different levels of 'Engagement'. As shown in Table 3, the mean scores of 'Attractive' construct in each subgroup range from 3.5 to 4.2; the 'Aware' construct received the lowest mean score 3.5 and the highest 4.2; the mean scores of 'Pride' vary from 3.6 to 4.2; as for 'Unique', the lowest is 3.4 and the highest is 4.0. All the mean scores are above the mid-point value 3, indicating a generally positive perception of the urban tourism development. By comparing the averages of different demographic group means in each cell, some patterns of residents' perceptions are observable. In the cells under 'gender', for example, the averages of females' perceptual means are bigger than males' for all the four constructs; with respect to ethnicity, the Caucasian responded with higher average scores than African Americans in all the four constructs; the patterns of 'age' and 'income' groups are a bit more complicated since they had more than two levels. With regards to 'age', it is noted that the fourth age group's (46-55 years old) perceptual mean averages are the highest in all the four constructs, followed by the second age groups' (26-35 years old) which are higher than the first age groups' (18-25 years old), only with the third age groups'

Table 3. Mean scores of residents' perceptions in the demographic groups crossed by levels of engagement

	En	Gender			Ethnicity			Age Groups					Income			
		M	F	$\bar{m}$	B	W	$\bar{m}$	a1	a2	a3	a4	$\bar{m}$	i1	i2	i3	$\bar{m}$
Attractive	en1	3.6	3.7	3.7	3.7	3.7	3.7	3.6	3.7	3.7	3.7	3.7	3.6	3.8	3.6	3.7
	en2	3.7	3.8	3.7	3.7	3.8	3.8	3.7	3.8	3.6	3.7	3.7	3.6	3.7	3.9	3.7
	en3	3.7	4.0	3.8	3.7	3.9	3.8	3.5	3.9	3.9	4.2	3.8	3.6	3.9	4.1	3.8
	$\bar{m}$	3.7	3.8		3.7	3.8		3.6	3.8	3.7	3.9		3.6	3.8	3.9	
Aware	en1	3.6	3.6	3.6	3.5	3.7	3.6	3.6	3.7	3.6	3.7	3.6	3.6	3.6	3.7	3.6
	en2	3.7	3.8	3.7	3.8	3.7	3.7	3.8	3.8	3.6	3.7	3.7	3.8	3.7	3.8	3.8
	en3	3.9	4.0	3.9	3.9	3.9	3.9	3.8	3.9	4.0	4.0	3.9	3.8	4.0	4.2	3.9
	$\bar{m}$	3.7	3.8		3.7	3.8		3.7	3.8	3.7	3.8		3.7	3.8	3.9	
Pride	en1	3.7	3.8	3.7	3.7	3.8	3.8	3.8	3.6	3.7	4.0	3.8	3.7	3.7	3.9	3.7
	en2	3.7	4.0	3.8	3.6	3.9	3.8	3.8	3.9	3.7	3.7	3.8	3.7	3.9	3.9	3.8
	en3	3.8	4.1	3.9	3.8	3.9	3.9	3.7	3.9	4.0	4.0	3.9	3.7	4.0	4.2	3.9
	$\bar{m}$	3.8	3.9		3.7	3.9		3.7	3.8	3.8	3.9		3.7	3.8	4.0	
Unique	en1	3.5	3.6	3.6	3.5	3.6	3.6	3.6	3.6	3.4	3.7	3.6	3.6	3.6	3.7	3.6
	en2	3.6	4.0	3.8	3.6	3.8	3.8	3.6	3.8	3.6	3.8	3.7	3.7	3.8	3.9	3.8
	en3	3.8	3.9	3.9	3.7	3.9	3.9	3.8	3.8	3.9	3.9	3.8	3.7	3.9	4.0	3.9
	$\bar{m}$	3.6	3.8		3.6	3.7		3.7	3.7	3.6	3.8		3.7	3.8	3.8	

Note: $\bar{m}$ = the average of group means in each cell

Table 4. Results summary of independent samples t-tests and one-way ANOVAs

	Attractive		Aware		Pride		Unique	
	t/F	Sig.	t/F	Sig.	t/F	Sig.	t/F	Sig.
Gender	-3.4	0.001	-2.3	0.020	-4.7	0.001	-4.3	0.001
Ethnicity	-0.97	0.354	0.75	0.462	0.85	0.041	0.81	0.090
Age	6.3	0.001	0.81	0.490	1.6	0.188	1.6	0.193
Income	10.3	0.001	6.6	0.001	7.3	0.001	3.6	0.029
Engagement	5.1	0.006	15.3	0.001	4.6	0.011	9.5	0.001

(36-45 years old) pattern of mean averages a bit mixed and hard to explain. With regards of the 'income' groups, a general pattern is the third income group's (\$60,001-90,000) mean averages are the highest, followed by the second income groups' (\$30,000-60,000) and then the first income groups' (less than \$30,000) in all the constructs.

A glimpse of the mean average scores at the different levels of 'Engagement', it is found that, residents with a high involvement in the Cultural Trail activities report the highest summated mean averages in each of the four constructs while the residents who have no involvement receive the lowest mean averages.

Predicting Effects of Residents' Demographics and Engagement

The Independent Samples t-tests and One-way ANOVAs are employed to detect the influence of demographic variables as well as the variable of 'Engagement' on residents' perceptions of the city's cultural tourism development. Results of the tests are summarized in Table 4.

In Table 4, each test's t value (from t-test) or F value (from one-way ANOVA) as well as the significance level is reported. As a result, the demographic variables of 'gender' and 'income' show statistically significant in predicting residents' perceptual differences in all the constructs. In other words, female residents in Indianapolis tend to perceive the improvement in the city's tourism development more positively than males; and those with more household income are more positive in their perceptions than the ones with lower household income. As for the other two demographic variables – ethnicity and age, though some patterns are observed by simply checking all the cells' mean averages in the four constructs, the variable of 'ethnicity' only

shows statistically significant in influencing the construct of 'pride'; and the variable 'age' was found to have a significant impact on the construct of 'attractive'. That is to say, the white American residents are more likely to feel the improvement in civic pride and city image than the African American residents in the city; and with the construction of the Cultural Trail, older residents are more likely to agree that distinctive improvements are made in terms of the attractiveness of the city as a cultural tourism destination.

As a result, the first hypothesis (H_1), i.e. the demographic variables of gender, ethnicity, age and income have significant influence in predicting residents' perceptions of urban tourism development, is accepted. Specifically, the demographic variables of 'gender' and 'income' are significant in predicting residents in all the four constructs, and 'ethnicity' shows to be significant in the construct of 'price' and 'age' is significant in 'attractive'.

In addition, the results of the mean comparison tests as shown in Table 4 indicate that the variable of 'Engagement' makes significant impacts on residents' perceptions of all the four constructs, all at a significance level of 0.01. Therefore, the second hypothesis (H_2), i.e. residents' engagement is significant in predicting residents' perceptions of tourism development, is also accepted, which indicates that residents with a higher level of engagement tends to hold more positive perceptions of the improvements of the city's cultural tourism development.

Moderating Effects of 'Engagement' over the Demographic Variables

To examine the moderating effect of 'Engagement' over the demographic variables, the two-way ANOVAs are conducted by treating the 'Engagement' and one of the

demographic variables as the two interactive predicting variables and one of the four constructs as the predicted variable in each separate testing. Consequently, sixteen two-way ANOVAs are conducted, respectively. The results of each of the sixteen tests are briefly reported below:

1. Moderating effect of 'engagement' on 'gender': Significant moderating effect is observed on the dependent variable of 'pride' with the alpha value of 0.05, i.e. the major difference of perceptions of 'pride' between males and females are only found among the respondents who are engaged in the Cultural Trail activities, and no 'gender' difference for those who make no involvement; significant moderating effect is also observable on the variable of 'unique' with the alpha value of 0.02, i.e. the perceptual discrepancy in 'unique' between males and females with 'engagement' is much larger than those who have no involvement; no moderating effects are found on the constructs of 'attractive' or 'aware'.

2. Moderating effect of 'engagement' on 'ethnicity': no moderating effects are noticed in the analyses on any of the four constructs.

3. Moderating effect of 'engagement' on 'age': significant moderating effect is noticed on the construct of 'attractive' at the significant level of 0.001, in that the perceptual gaps between seniors and juniors with high engagement are much bigger than those with no or low level of involvement; significant moderating effect is observed on the construct of 'pride' at the significant level of 0.032. Specifically, 'civic pride' is strongly perceived by Group 4 no matter if they have involvement in the Cultural Trail or not; in contrast, the perceptual discrepancy is remarkable for both Group 2 and Group 3 from non-involvement to high involvement, while there is no change for Group 1 which is of the youngest age. No moderating effects are found on the dependent variables of 'aware' or 'unique'.

4. Moderating effect of 'engagement' on 'income': significant moderating effect is noticed on the construct of 'attractive' at the significant level of 0.008, indicating that the moderating effect of involvement is more

distinctive on the residents with higher household income than the ones with lower household income; no moderating effects are noticed in the analyses of the other three constructs.

Based on the above, it is concluded that Hypothesis 3 is partially accepted as the moderating effects of 'Engagement' are observed on all the demographic variables except 'ethnicity' in influencing residents' perceptions of the city's tourism development.

Discussion and Conclusion

Major findings

This study shows that gender plays a significant role in predicting residents' perceptions of tourism development. The female respondents tend to perceive more positively than the male respondents. This finding proves to be consistent with the study by Ryan *et al.* (1998). This study indicates that urban tourism marketers should target male and female residents differently in the process of internal marketing (e.g. when disseminating information about the city's tourism development). In addition, gender is considered to be a useful variable for cost-effective market segmentation as it meets three of Rossiter's (1987) four criteria for segmentation as the resulting segments are substantial enough to be worth developing marketing strategies and gender is a variable which is relatively easy to measure and easy to access.

With respect to the influence of ethnicity, though only the construct of 'pride' is found to be statistically significant in detecting the perceptual difference between the white and African American residents, as shown in Table 3, all the mean scores of white residents are bigger than that of the African Americans. The findings of this study in terms of ethnicity's impact on residents' perceptions echo those of the previous studies in terms of the role of ethnicity which state that there are certain ethnic and cultural determinants on people's perceptions and preferences, and behaviors (Irwin *et al.*, 1990; Bass *et al.*, 1993). Irwin *et al.* (1990) notice that the perceptual differences between cultural groups are more related to cultural values than either socioeconomic or social class variances. As a result, tourism

managers and marketers need to understand how, and to what extent, non-Anglo groups differ from Anglo groups, and to what extent ethnicity shapes the recreation-use patterns and site perceptions (Bass *et al.*, 1993). 'Household income' is the other demographic variable besides 'gender' which shows to be a significant indicator of perceptual differences among different income groups for all the four constructs.

'Age' is the only demographic variable which does not show the same pattern as 'income'. Except for Group 4 which is a group of seniors and which shows the highest mean score among all the four 'income' groups, the other three groups' mean ratings are somewhat mixed. In addition, only the construct of 'attractive' shows to be significant. Thus, the predicting effect of 'age' is not as strong as that of the other demographic variables. With respect to perceptual difference related with 'age', the older residents (represented by Group 4 who are 46-55 years old) seem to concern more about the improvements of tourism development the younger residents (represented by Groups 1-3 who are aged from 18 to 45) are less concerned. One explanation of this is that 'age' tends to be closely related with 'length of residence' which can be an important indicator of residents' community attachment.

The moderating effects of 'engagement' are found to be significant with all the demographic variables except 'ethnicity'. The only construct which did not display any moderating effects is the construct of 'aware'. While little has ever been done in previous studies in terms of moderating effects on demographics' influence over residents' perceptions, this study provides a good understanding of the relationship between demographic characteristics and residents' perceptions of tourism development. For instance, one common feature for all the existing moderating effects is that greater perceptual difference is found among those demographic segments which have higher levels of engagement with the Cultural Trail. For example, the greater perceptual gap between males and females on how the trail has improved residents' 'civic pride' and 'city image' is mainly observed among those who

are the users of the Cultural Trail, not the non-users. As a result, this study recommends that future studies in accurately measuring demographics' impacts on residents' perceptions should consider the moderating effects of other variables such as community engagement.

The hypothesis testing shows that demographic variables have the predicting effect in terms of residents' perceptions of urban tourism development. The analysis of the moderating effects of residents' engagement help better understand the pattern of demographics' influence on residents' perceptions. This study has mainly examined residents' demographic impacts on their perceptions. In terms of market segmentation strategy, demographic segmentation is the most popular basis for dividing groups, primarily because residents' attitudes and preferences usually match demographic categories, but also because demographic variables are easy to measure and obtain.

Implications for urban tourism marketers and professionals

Results of this study indicate that residents with a higher level of engagement tend to hold more positive perceptions of the city's cultural tourism development. "Resident responsive tourism" is a type of community-driven tourism development that advocates local involvement in tourism development within the community in order to ensure the vitality of destinations (Sheldon & Abenoja, 2001). The significant relationships between residents' engagement in leisure activities and their positive attitudes toward urban tourism development assure tourism marketers that residents who use recreational facilities are also supportive to the city's tourism development efforts. One implication for tourism planners is that tourism facilities should be planned to better accommodate the needs of both residents and visitors in order to carry out a successful and sustainable urban tourism. A partnership between the tourism industry itself and the host community is vital and calls for the "harmonious relationship between the visitor, the host community, and the place, without depleting resources, cheating the visitor, or exploiting the

local population" (Sheldon & Abenoja, 2001, 436).

This study implies that, in order for a socially sustainable tourism industry to exist, resident opinions about tourism and the future of its development within their community must be incorporated into the tourism planning process. Resident perceptions and attitudes toward urban tourism development must be better understood. These opinions are vital to enhancing the quality of life of the host community. Findings of this study showed that the newly constructed Cultural Trail plays an important role and can be used as a useful intervention in enhancing the city profile as an urban cultural tourism destination. Particularly, the respondents agree that the more utilized Cultural Trail will make residents more aware of the factors which are key to the success of the city's tourism development, i.e. overall attractiveness of the city to be an urban cultural destination, awareness enhancement of the city's initiatives and tourism development projects, civic pride and city image, and the uniqueness of the city's attractions.

Based on the significant role of gender, age/length of residence, and income on residents' perceptions, it is suggested that community-based tourism marketing and promotion should focus on those who perceive the tourism development more positively and thus would be more likely to support tourism. Residents' support for tourism development and the likelihood of recommending their region and supporting tourism funding is based on their perceived image (Schroeder, 1996). As for the other demographic groups who are found to be less positive in terms of the city's tourism, the tourism planners and marketers should think of some effective ways to get them more engaged in recreational and tourism related activities. This study not only assesses the predicting effects of residents' demographics, but also examines the moderating effect of residents' engagement with the newly constructed facilities. The result shows that if the community members feel more attached to the recreational as well as tourist site, there is a strong tendency for them to be aware of the city's attractiveness and advantages in tourism development. Because of the positive

relationship between community engagement and enhanced perceptions of tourism development, tourism planners and marketers should promote programs which can also attract both the local residents and visitors to participate.

This study recommends that the tourism authority and marketers in Indianapolis should take a community-based marketing approach, particularly at this time of economic downturn, to promote residents' involvement in those facilities attractive to both the residents and the visitors. As the city gains more support of cultural tourism from its residents, it will be much more cost-effective to promote the city's cultural tourism offerings locally and regionally by word-of-mouth, e-marketing or limited advertising. Especially the role of word-of-mouth in the promotion of destinations to potential visitors has long been recognized as one of the most influential information sources (Litvin *et al.*, 2008).

A greater understanding of the influence of demographic variables on residents' perception of tourism is essential in providing tourism planning which can bring the largest overall benefits and the smallest overall costs for all the groups involved (Andereck 2007). The tourism marketers and professionals of the city need to take account of these differences and to plan local tourism marketing and promotional campaigns accordingly. Most of the visitors to Indianapolis are mainly visiting friends and relatives. Therefore, the residents are the main source of travel information and have diverse opportunities to share the city's stories with relatives and friends. Residents' satisfactions of and favorable perceptions of the urban tourism may affect the experience of visitors who are visiting their friends and relatives in the city.

Contributions to studies on residents' perceptions of tourism development

This study empirically tests the significant impact of demographic variables on residents' perceptions of urban tourism development. Based on the results, it is recommended that tourism researchers on residents' perceptions consider the demographic characteristics as important variables in analyzing the determinants of residents' perceptions. To treat

the urban residents as a homogeneous group of people despite their demographic characteristics could be problematic in tourism marketing as it is often the disadvantaged social groups that experience the most negative consequences and the fewest beneficial consequences of tourism development (Lui, 2003).

This study shows a positive relationship between residents' engagement and their perceptions of tourism development. Andereck and Vogt (2002) point out that it is the development of recreation opportunities, cultural attractions, and special events that receive the highest level of support for potential development by community residents rather than the services used largely by tourists such as lodging and tours. This study further verifies that residents' engagement in the recreational facilities or cultural attractions can greatly enhance residents' perceptions of the tourism development which echoes the findings made in previous studies (Choi & Sirakaya, 2005; Tosun & Timothy, 2001; and Reiser & Crispin, 2009). It is recommended that studies on residents' perceptions in terms of their demographics should also consider the moderating impact of residents' activities in urban tourism areas or related facilities. In addition, future studies on the predicting effects of community attachment and engagement should include not only the demographic variables including gender, race, age and income, etc. but also the other community attachment related variables such as residents' quality of life and satisfaction with the community as a place to live (Jurowski, 1998).

It is recognized that studies on residents' perceptions based on demographics are complicated and can be influenced by other moderating factors. For instance, residents' perceptions of tourism development based on demographics may also be moderated by tourism development stages. Allen *et al.* (1988) examine the changes in resident perceptions according to tourism development stages. Their study shows that the perceptions of tourism's impacts increase with increasing levels of tourism development, and resident support for additional tourism development initially increases with increasing levels of actual

development, but attitudes become less favorable when tourism reached its maximum status. Previous studies may be conducted in different research sites at different levels of tourism development. This may partially explain why some studies on residents' demographics and perceptions have produced inconsistent results. It is suggested that interpretations and applications of findings from studies on residents' demographics and perceptions specify a specific stage of a city's tourism development.

Finally, this study encompasses some limitations. Since the data are collected mainly in the downtown area, the sample might be representative only to the population of the downtown area but not to the population of the whole city. Besides, the convenience sampling involves no random sampling. Because of this, the overall perceptions may not be free from bias as those who are excluded from the sampling might have different perceptions. These limitations may consequently restrict the ability of generalizing the findings.

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